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Report of Royal Commission appointed May 28th, 1945

To Investigate Charges made by

Mr. Edward B. Jolliffe, K.C.,

in a Radio Address

on May 24th, 1945

**The Hon. Mr. Justice A. M. LeBEL,
Commissioner**



TORONTO

**Printed and Published by T. E. Bowman, Printer to the King's Most Excellent Majesty
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Report on the Charges made by Mr. Edward B. Jolliffe, K.C., in a Radio Address by him on May 24, 1945

TO THE HONOURABLE ALBERT MATTHEWS, LL.D.,
Lieutenant-Governor of the Province of Ontario,
Queen's Park, Toronto.

MAY IT PLEASE YOUR HONOUR:

1. A Royal Commission was issued under date May 28th, 1945, pursuant to Chapter 19 of the Revised Statutes of Ontario, 1937, entitled "The Public Inquiries Act," wherein the undersigned was appointed Commissioner and directed

"... to inquire into and report upon the charges made by Edward B. Jolliffe, K.C., Leader of Our Loyal Opposition at the date of the dissolution of Our Legislative Assembly, in a radio address on Thursday, May 24th, 1945, that George A. Drew, K.C., Prime Minister of Ontario, after coming into office in August, 1943, established a secret political police organization for the purpose of collecting, by secret spying, material to be used in an attempt to keep him in power, and likewise to inquire into and report upon any innuendoes to a like effect arising out of the said address (the text of which is hereby incorporated herein) and into any elaborations of the said charges made by the said Edward B. Jolliffe at any time subsequent to the above-mentioned radio address which may come to the knowledge of you Our said Commissioner.

"And further to inquire into and report upon the activities, conduct, breach of duty or breach of oath of office of any member or ex-member of the Ontario Provincial Police Force, arising out of the above-mentioned charges.

"And further to inquire into and report upon the manner in which the said Edward B. Jolliffe came into possession of and his use of what he claims to be secret documents of the Criminal Investigation Branch of the Ontario Provincial Police Force."

2. As your Commissioner I have the honour to report that I have made the inquiry as directed, and now beg leave to submit to Your Honour the evidence adduced before me, and my report and conclusions thereon.

3. I have had the assistance of Mr. Joseph Sedgwick, K.C., as counsel for the Government and to assist the Commission; Mr. C. R. Magone, K.C., who appeared for the Ontario Provincial Police Force; Mr. E. B. Jolliffe, K.C., and Mr. F. A. Brewin, who represented Mr. Jolliffe personally; Mr. J. J. Robinette, K.C., who appeared for Flight-Lieutenant L. E. Wismer; Mr. H. L. Cartwright, who represented Constable John Alvin Rowe; Mr. D. J. Walker, K.C., who

appeared for Mr. M. A. Sanderson after the third day; and Mr. J. L. Cohen, K.C., who appeared after the fourth day for Roy England, President, Ford Local No. 200, U.A.W.-C.I.O., and the other persons and organizations named in Exhibit 261.

4. The Commission opened on June 20th, 1945, and concluded on July 20th, 1945. Eighteen days, including several night sittings, were required for the taking of testimony and the arguments of counsel. So far as I am aware, everyone who it was thought might be able to throw light on the subjects of the inquiry gave testimony. I am satisfied that all available documents in any way relevant and material to the subject matters of the inquiry, with the exception of certain documents which will be referred to in Part III of this my Report, were presented to the Commission. The transcription of the verbatim shorthand record of the oral evidence taken before me extended to 3,220 foolscap pages, and the documentary evidence was filed in 267 exhibits, several of which consisted of files containing material identified by sub-numbers or alphabetical designations under the original exhibit number. The arguments of counsel occupied three days, and the transcription of the shorthand notes thereof covered some 700 pages: pp. 3221 to 3923.

5. The preparation and issuance of this my Report have been delayed somewhat by reason of an application made by Mr. Lewis Duncan, K.C., to the Court of Appeal for an Order directing me to state a case for the consideration of that Court with respect to certain rulings made by me during the course of the proceedings. I held that Mr. Duncan was not "a person affected" by the inquiry within the meaning of The Public Inquiries Act, and that he was therefore not entitled by law to apply for a stated case; but I concluded that I should not, in fairness to Mr. Duncan, issue my Report until his application had been disposed of by the Court of Appeal. His application was heard on the 10th day of September, 1945, and my ruling was upheld.

PART I

CONCERNING THE CHARGE THAT MR. JOLLIFFE MADE AGAINST THE HONOURABLE GEORGE A. DREW, K.C., AND HIS GOVERNMENT

6. A copy of the radio address made by Mr. Jolliffe over the Ontario network of the Canadian Broadcasting Corporation on the evening of May 24th, 1945, some eleven days before the Ontario provincial election held on June 4th, 1945, was filed as Exhibit 1 in the course of the inquiry, and appears as Appendix "A" to this my Report.

Evid. **The Circumstances which led to Mr. Jolliffe's First Radio Address**

7. Before proceeding to a detailed examination of the substance of Mr. Jolliffe's said radio address and the evidence bearing upon the allegations contained therein as well as in his subsequent radio addresses and speeches, I deem it advisable to give a brief preliminary account of the circumstances which led to the making of his first radio address.

8. Early in November, 1943, Constable John Alvin Rowe, then in the service of the Ontario Provincial Police Force for more than twenty-two years, was instructed by his Deputy Commissioner, Herbert McCready, to report for duty at the office premises located in a building at 18 Surrey Place, close by the Ontario Parliament Buildings, Toronto. He was to assist the officer in charge of this branch, a special constable by the name of William J. Osborne-Dempster, who was generally known in the Force as "Dempster" and to whom I shall therefore refer hereinafter as "Constable Dempster." Constable Rowe was not certain when he reported at the office mentioned, but he thought, since the first notes he
281 made were dated November 15th, 1943, that he embarked upon his duties there on or about that date.

9. Constable Rowe stated that he had not been in the office twenty minutes
395- until he was "thoroughly astounded at the situation" he discovered, and that he
6 "had no doubts from the end of the first fifteen minutes that there was something rotten here." He added: "I knew there was a traitorous conspiracy of some kind going on . . . in the first half hour." He stated that from the outset he took home and retained a copy of every paper he typed, and that within four or five
507 days he had decided to disclose the situation to Miss Agnes Macphail, C.C.F. member for York East in the Legislative Assembly. He knew Miss Macphail personally, having once resided in the same community, and he lost no time in seeing her. He said:

339 "I did not reveal to Miss Macphail the exact contents of anything in the office at the time. I took this attitude, and I explained to her that I had given the best years of my life to the Force that I had a lot of respect for, and I said that now something had come to my attention that led me to believe that instead of being an officer of the law I was in a big racket; and, in fact, my life's effort in public service had been kicked right out from under me; and that I was employed in an office that might have to be

blown up by dynamite. She was quite shocked, as you would expect her to be, and appeared to be more or less suspicious of things being as bad as they were, and I did not pursue or give her full knowledge of how alarmed I was about the condition there. However, I explained to her that I wanted to be in this position—I took the precaution of apologizing for the stand and asked her to give me her word of honour that she would keep my confidence unless and until I gave her permission to refer the matter to anybody else—I explained to her that I still wanted to be in a position to carry on investigations of my own in my own way to find out just exactly what was wrong, but at the same time to be in the position that I had immediately reported the condition to somebody as soon as I suspected what was going on, and she said she agreed. This interview was at her home.”

10. Miss Macphail immediately made an appointment for Constable Rowe to see Mr. Jolliffe, who testified that he met him in November, 1943, i.e., within fifteen days of the date Constable Rowe commenced his work at 18 Surrey Place. That Constable Rowe kept Mr. Jolliffe fully informed as to all happenings within the office at 18 Surrey Place from that time on and throughout the three months' period he was employed there, and that he showed him copies of the reports on certain persons and organizations that he had typed during that period and secretly kept, as well as other material from the files, was admitted by both Mr. Jolliffe and Constable Rowe; and although Mr. Jolliffe made some personal investigation and caused further inquiries to be made, as he stated in his first radio address, there can be no doubt but that the productions and disclosures made to him by Constable Rowe were the *causa causans* of his first and subsequent addresses.

Mr. Jolliffe's Charges and the Importance of the Principles Involved

11. I am of the opinion that the gist of the charges made by Mr. Jolliffe is to be found in the excerpts which I have underlined in his first radio address (Appendix “A” to this my Report) and that these underlined excerpts read together contain the precise charge made by him and mean in substance that:

The Honourable George A. Drew, K.C., Prime Minister of Ontario, and his Government had secretly established and was on the 24th day of May, 1945, maintaining at public expense in Ontario a secret political police organization, headed by William J. Osborne-Dempster, which had collected and was collecting a mass of material that was deliberately misleading and libellous with respect to members of

- (1) the Official Opposition (the C.C.F.);
- (2) all other opposing political parties in the Legislative Assembly;
- (3) trade unions and labour organizations; and
- (4) the public at large,

and that being fearful of making direct use of this material, which had been secured by secret spying, Mr. Drew and his Government had allowed the

said secret police organization to disseminate the information it gathered among propagandists of big business, viz., Mr. Gladstone Murray and Mr. Montague A. Sanderson, in order that Mr. Drew and his Government might thus be maintained in power; and that the persons involved in such illegal activity or conspiracy were the said Messrs. Drew, Osborne-Dempster, Gladstone Murray and Sanderson as well as Mr. George McCullagh, president and publisher of the Toronto *Globe and Mail*.

12. I have carefully perused not only the text of the first radio address but also that of Mr. Jolliffe's other radio addresses delivered subsequently over station CKEY Toronto on May 28th or 29th, 1945 (Exhibit 2), over the Ontario network of the CBC on May 30th, 1945 (Exhibit 3), and over station CBL Toronto on June 1st, 1945 (Exhibit 4) as well as press releases of parts of speeches made by him on May 25th, 1945, at Sutton West and Massey Hall, Toronto (Exhibits 5 and 6) and a press release of part of another speech made by him at Oakville on June 2nd, 1945 (Exhibit 7). I have likewise examined copies of press releases made or telephoned to the Toronto press by or on Mr. Jolliffe's behalf on May 27th, 28th and June 1st, 1945 (Exhibits 8, 10 and 11). In my opinion, nothing contained in any of these addresses or press releases adds to or modifies the nature or gravity of the charge mentioned, and the statements found in the later addresses and speeches were either repetitious of what Mr. Jolliffe said in his first address or were made to further substantiate and support the charge originally levelled at Mr. Drew and his Government.

13. It was suggested in argument by counsel to the Commission that Mr. Jolliffe's charge was directed at Mr. Drew and not at his Government, and in support of this suggestion my attention was called to the many references in his first address to Mr. Drew personally, and to the fact that Mr. Drew's name was the only name joined with the names of Messrs. Osborne-Dempster, Gladstone Murray, Sanderson and McCullagh. It is true that only Mr. Drew's name was linked with the names just mentioned, and that he was personally scored for especial attack, but I am satisfied that Mr. Jolliffe did not thereby mean to exonerate the members of Mr. Drew's Government. There are several passages in the first radio address which are pointed at Mr. Drew's Government, and in my opinion Mr. Jolliffe meant to be understood as saying that what Mr. Drew did in concert or in conspiracy with the other four persons named, he did with the assistance or connivance of the members of his Cabinet.

14. I believe I should emphasize at the outset the importance of the principles involved in Mr. Jolliffe's charge. The introduction into Ontario of a secret political police organization and its maintenance for the purpose of keeping a government in power would constitute a serious departure from the principles which underlie the structure of our democratic system. Not only would such a departure prejudicially affect every citizen in the exercise of his inalienable right of free speech, of assembly and of his franchise, but it would mean the end, practically and in effect, of that orderly process we know in a free country as the rule of law and the substitution in its place of the rule of the dictator or of the executive. However, in time of war when many of our rights must necessarily be surrendered for the safety of the State, no person, whether he be the head of a government, a cabinet minister or a member of Parliament, is entitled to immunity from investigation by the police; consequently, any question of legality in the matter of information collected and retained at such a time has solely to do with the use or misuse to which such information is put. This distinction is clear from

a consideration of the manner in which the Gestapo in Germany, and secret police bodies in other countries, have acted upon information obtained. Such unspeakable horrors as we know took place in Germany and other European countries were the result of an excessive abuse by a government of information received; but if a government merely made use of information it caused to be gathered in war time for the purpose of deliberately maligning its opponents, the self-same principles of our democratic system would be violated. And if, as Mr. Jolliffe charges, the Drew Government were fearful of making direct use of information received, and for that reason made indirect use of it in the manner Mr. Jolliffe described, the result, in my opinion, would be precisely as iniquitous; and as Mr. Jolliffe stated very properly in argument, the indirect misuse of information in this way would be but a step towards its direct misuse.

Scope or Purview of Inquiry and Conclusions upon False Statements in Constable Dempster's Reports

15. Further, before proceeding to an examination of the evidence I deem it necessary to allude to the scope or purview of the inquiry, because much was said about the matter in the course of the proceedings. A great deal of time was consumed in the taking of evidence which, after being put on the record, was considered by me to be irrelevant to the subjects of the inquiry as set forth in paragraph 1 of this my Report. Similarly many exhibits were filed which upon examination were found to be extraneous. I attribute these errors to the fact—and it was conceded by all counsel who took part in the proceedings—that a great many statements found in the reports, records and card indexes of the office at 18 Surrey Place were unreliable, misleading and even false. Unfortunately, many of these statements, or the names of persons and organizations to whom they were alleged to relate, came to light at the time of Mr. Jolliffe's addresses or during the course of the inquiry. Some of these persons and organizations resented having been investigated, and they felt embarrassed and justifiably incensed when they learned the nature of the alleged facts concerning themselves. I believed, and so stated at several points in the proceedings, that I should not entertain an inquiry into the truth or falsity of these statements. To have done so, in my view, would have made the inquiry endless, and would have served to defeat its object. However, Mr. Jolliffe and other counsel in substantially the same interest urged upon me that I should examine into the truth or otherwise of the statements in order to ascertain whether there was in fact a plan or design on the part of the persons mentioned in Mr. Jolliffe's charge deliberately to misrepresent the character, status, activities or objects of the persons and organizations reported upon. I so ruled, although I realized that by so doing I opened the door for the reception of evidence which would later be found to be, as it was in fact, of little or no assistance to me. Also I believed that anyone who considered himself aggrieved by the admission of any evidence should not be precluded from testifying as he desired, and this course was followed with the result that Mr. Lewis Duncan, K.C., and Mr. Tim Buck came forward to deny, or make explanation with reference to, statements contained in Constable Dempster's records, and Mr. C. W. Peppin took occasion to register his objection at having been investigated.

16. At this point I think I should set forth the conclusions I have reached concerning the admittedly misleading and false statements found in the reports and records of the office at Surrey Place. To establish that a statement is

- deliberately misleading or false it is necessary to prove either an actual intention to falsify or such a number of false and misleading statements as will permit one, having regard to all the circumstances, to infer such an intention. Constable
- 741 Dempster said that his original intentions were to make inquiries regarding persons and organizations engaged in or likely to engage in subversive activities. Sometimes complaints were received which had to be investigated, he said, but normally he was required to go out and look for such activities "and then by a process of elimination, eliminate those who had nothing to do with it . . . and that would leave you likely something to work on." He said some 16,000 files on people and organizations had been accumulated by the Anti-Sabotage Branch in this way. Much of the information collected was in the form of press clippings.
- 742 He thought that the Special Branch of the Toronto Police Force worked along the same general lines, and said he regarded his own duties "more preventive than otherwise." He was asked:
- 923 "Q. Would I be correct in saying that these people, from the information you received, from whatever source you received it, or from perhaps your own surmise, were viewed by you as suspects?"

and he answered:

"A. Until I made the investigation, and 99 times out of 100, sir, there was nothing to it."

In such circumstances, therefore, is it to be wondered at that anyone seeing one of Constable Dempster's reports upon some person with whom he was familiar, might find many inaccuracies or worse? I am of the opinion that any person who gives thought to the matter will realize that many false statements are of necessity to be found in Police and Intelligence files and records. It is understood that the police of any force, large or small, usually act upon, and in fact could not function without, information received from every available source, and it follows that any written record of such information must ultimately be found to contain much that is unreliable and even untrue. It cannot be inferred, therefore, that Constable Dempster, or those who worked with him in the Special Branch prior to June, 1943, wilfully gathered false information. Furthermore, there was not a tittle of evidence in the proceedings to establish that Constable Dempster knowingly and deliberately misrepresented facts concerning any person or organization. Moreover, having regard to the nature of Mr. Jolliffe's charge, it is incredible to me that big business, through the agency of Messrs. Sanderson and Gladstone Murray, or any other agency, would be in the market for the purchase of palpable falsehoods. If Constable Dempster was of any value to big business it was because he possessed knowledge thought to be of value. Big business did not need the assistance of Constable Dempster if it wanted to embark upon a campaign of libel and vilification. I am therefore convinced that neither Constable Dempster nor any other person mentioned by Mr. Jolliffe in his first radio address ever intended to publish anything which was deliberately false.

Establishment of Special or Anti-Sabotage Branch

17. From the annual report of the Commissioner of The Ontario Provincial Police, Mr. William H. Stringer, from January 1st, 1940, to December 31st, 1940 (Exhibit 54) the following excerpts with respect to the formation and activities of the Special or Anti-Sabotage Branch are to be found at pages 21, 22 and 23:

"At the outbreak of war, a 'Special Branch' was created to combat subversive activities and specialize in anti-sabotage and counter-espionage operations. Primarily, the personnel consisted of an Inspector in charge, a clerk-stenographer and four special agents. The Branch has been augmented and now includes an Inspector, two clerk-stenographers and ten special agents, under the direct supervision of the Deputy Commissioner of Police.

"(Owing to the fact that this was a new Wing of the Criminal Investigation Branch, certain difficulties were to be expected. The nature of the work demanded that the activities of its members be cloaked in secrecy. Investigations since the inauguration have touched upon the activities of some 20,000 persons.

"During these investigations, innocent persons were sometimes reported to be members of subversive and outlawed organizations. In order to spare unnecessary embarrassment, all investigations are carried out in a very discreet manner. One of the chief difficulties encountered in making investigations concerning possible subversive acts has been the great reluctance of the majority of persons reporting such cases to give evidence in court.

"The Branch co-operates closely with the several other police organizations in Toronto and adjacent municipalities, also with the divisional headquarters of the Royal Canadian Mounted Police, the Federal Bureau of Investigation at Washington, D.C., Detroit, Buffalo and Albany. In instances where flagrant violations of the Defence of Canada Regulations have been followed by prosecution and conviction, recommendations have been made urging internment for the violators, which have resulted in internment in a number of cases.

"Whilst the danger of direct acts of sabotage to industrial plants engaged in the production of essential war supplies, vital lines of communication, power plants, etc., is ever present, an even more dangerous situation has developed during the past few years. Reference is made here, of course, to the foreign 'ism' advocates who, protected by guarantees of freedom of speech, assembly and the press under our democratic system, seek to overthrow that system. By means of 'boring from within' tactics they have succeeded in working their way into various legitimate organizations and endeavour to control the policies of such organizations."

Then follow the names of some thirty organizations declared to be illegal since the outbreak of war, amongst which are:

"The National Unity Party, The Canadian Union of Fascists, The Communist Party of Canada, The Young Communist League of Canada, The Canadian Labour Defence League, The League for Peace and Democracy. . .

"Careful examination has been made of a large number of periodical foreign language publications, as well as those published in the English language, for subversive material. Since the outbreak of war a number of publications have been declared illegal and banned. . . .

"An extensive card index file is maintained which contains the names of all persons suspected of possible subversive activities, members of outlawed

organizations, and all persons convicted under the Defence of Canada Regulations or the National Registration Regulations.”

18. It appears from Commissioner Stringer's evidence that the Special or Anti-Sabotage Branch had been formed by authority of the then Attorney-General, 1969 Mr. Gordon C. Conant, K.C., and that Inspector A. S. Wilson was placed in charge originally under the Commissioner, but that in January, 1941, Deputy Commissioner McCready “was instructed by the Honourable the Attorney-General to assume command of the Special Branch which from the outset had been attached to the Criminal Investigation Branch” of the Force (Exhibit 149). 1970 Commissioner Stringer testified that the squad was to “be engaged . . . along the lines laid down by the special branches attached to other police forces.” In view of a high recommendation from an official of the Soldiers' Aid Commission and of qualifications deemed suitable, Constable Dempster had been engaged as a Special Constable on July 30th, 1940, and had been assigned to the Special Branch. The offices of the Special Branch were originally at 39 Queen's Park Crescent, but the accommodation there proved unsuitable and in January, 1941, it was transferred to two rooms on the upper floor at the rear of 18 Surrey Place. As time advanced the branch seems to have encountered some trouble within 1975 itself; the quality of the work appeared to deteriorate, and discipline was not maintained at the usual Ontario Provincial Police standard. Inspector Wilson resigned on June 25th, 1942, and Inspector E. D. L. Hammond of the Criminal Investigation Branch took charge. By that time the personnel of the branch had been reduced to three in number: Constable Dempster, another operator, and a lady stenographer, Miss C. McLellan.

19. That the formation of the Special Branch was advisable and necessary in time of war was quarrelled with by no counsel or witness who appeared before me. The principal complaint made by Mr. Jolliffe and those in the same, or in substantially the same interest, was with regard to alleged serious abuses which he charged in his addresses and sought to establish in the course of the inquiry had been designedly introduced into the work of the Special Branch after August 17th, 1943, the date Mr. Drew and his Government assumed power. While this date must be kept constantly in mind as the crucial one in connection with Mr. Jolliffe's charges, I would say something here about events which happened earlier in the year 1943.

Authority for Continuation of the Work formerly done by the Special Branch

20. Whether upon instructions or upon his own initiative—the evidence is silent on the point—on May 17th, 1943 Commissioner Stringer sent a letter to Deputy Commissioner McCready (Exhibit 150) as follows:

“Anti-Sabotage Squad

“I would be pleased to know, as soon as possible, as to whether or not the present set-up and personnel of the Anti-Sabotage Squad should be discontinued or disbanded.

“It seems to me that most of the work these men are doing could properly be done by the Investigation Branch or members of No. 5 District Headquarters.

(Signed) “William H. Stringer,
Commissioner of Police for Ontario.”

Before replying the Deputy Commissioner apparently asked Inspector Hammond to make a report upon the Special Branch, because on the same date the Inspector sent him a memorandum dealing with the subject (Exhibit 144). At this time Inspector Hammond had been in charge of the branch for about a year, and in his memorandum he praised Constable Dempster and his work in the highest terms. He wrote of him:

1977 "Dempster earns his \$125 per month. He is an indefatigable worker, sometimes a little too over-zealous, but with proper curb is undoubtedly a man of great value to our department."

Evidently the Inspector did not come to any conclusion as to whether the Special Branch should be closed, for he made no definite recommendation in the matter. On May 18th, 1943, Deputy Commissioner McCready replied (Exhibit 151) to the Commissioner's letter (Exhibit 150). He said in concluding:

"Nevertheless, I would respectfully recommend that the personnel of the Anti-Sabotage Squad . . . be disbanded, and the work transferred to either the C.I.B."—i.e. the Criminal Investigation Branch—"or our No. 5 District."

Apparently Commissioner Stringer agreed with his Deputy's recommendation, and he says that on May 19th, 1943, in a memorandum addressed to Mr. E. W. Cross, now His Honour Judge Cross of the County Court of the County of Oxford, who was the Attorney-General between May 18th and August 17th, 1943, he requested authority to release Constable Dempster and the other operator from the Force and to transfer the stenographer, Miss McLellan. The Commissioner does not say that he included in his said memorandum any reference to the continuation of the special work done by the Branch. There was no memorandum in reply from the Minister.

21. Commissioner Stringer then had an interview with the Deputy Attorney-General, Mr. C. L. Snyder, K.C., with regard to the closing of the Special Branch and the release of Constable Dempster and the other operator. The Commissioner says he secured the Deputy Attorney-General's verbal approval for such action. He further says that the understanding reached at this interview was that the work of the Branch was to be continued in the Criminal Investigation Branch as the Deputy Commissioner had recommended. He stated that Mr. Snyder did not say that the work carried on by the Special Branch was to be discontinued. At all events, on June 9th the Commissioner sent to his Deputy Commissioner a memorandum (Exhibit 152), which in view of its contents would hardly have been sent if the understanding he had reached with Mr. Snyder had been different. This memorandum read:

2036 "This is to advise you that the services of . . . Special Constable W. J. Osborne-Dempster of the Anti-Sabotage Branch will be dispensed with as and from the 30th June, 1943.

"It would appear from reports that whatever work now being done by this Squad can properly be done by the Criminal Investigation Branch under your supervision. Inspector Hammond, who for the past several months has been supervising the Anti-Sabotage Squad, will, of course, return to the Criminal Investigation Branch for duty.

"I understand that Miss C. McLellan, Clerk, will be transferred to some other branch of the Service."

750 22. Constable Dempster testified that he had heard from someone that the Special Branch was to be abolished or reduced, and he preferred to resign rather than be let out, so he sent in his resignation effective June 30th. He did this before leaving on his vacation on June 11th, 1943. But the Commissioner said that he received instructions during Constable Dempster's absence on vacation either from the Prime Minister, then the Honourable Harry Nixon, or the Attorney-General—and it was afterwards established that it was the latter to whom he had spoken—that Constable Dempster's services were to be retained and his resignation not accepted.

2034 23. There is some suggestion of conflict in the evidence as to what happened at this interview between the Attorney-General, Mr. Cross, and Commissioner Stringer. The Commissioner's version of what the Attorney-General told him was:

"First of all he" (i.e., the Attorney-General) "asked me if Dempster's services were quite satisfactory, and I said 'Yes'. I had received reports from the Deputy Commissioner and Inspector Hammond. Hammond, I told him, had been over there for about a year and found his services quite satisfactory in the Branch. 'If that was the case and he has a good record keep him in his present capacity as an operator, or else get him some other position in the service'."

The Attorney-General, after testifying that he had told the Commissioner to transfer Constable Dempster to the Criminal Investigation Branch, continued as follows with respect to his understanding of the Commissioner's evidence just quoted:

2390 "Mr. Stringer I thought left the impression that there was some suggestion that the Branch was to be continued by reason of the fact that this man Dempster's resignation was not accepted. That certainly was not my understanding of it. The Branch was closed, and that was the end of the Anti-Sabotage Squad as far as government policy was concerned, and, as usual, in the service, there was a place to be found for him, and he suggested that they find a place for him in the Criminal Investigation Branch."

24. A memorandum Commissioner Stringer sent to Deputy Commissioner McCready on June 15th following this interview (Exhibit 155), which is the only written record of what took place, rather bears out what the Commissioner said was his understanding with the Attorney-General as to the continuation of Constable Dempster's work. Like the memorandum forwarded earlier to the Deputy Commissioner by the Commissioner following his interview with Mr. Snyder (Exhibit 152), it hardly would have been worded as it was if Mr. Stringer's understanding had been different. In his memorandum (Exhibit 155) the Commissioner instructed his Deputy as follows:

1979 "You will advise Special Constable W. J. Osborne-Dempster that at the expiration of his annual leave on June 30th, 1943, he will continue on in his present position in the Criminal Investigation Branch until such time as another position is secured in the Public Service where his services can be utilized to better advantage.

"In the meantime, his resignation is not accepted."

While the above memorandum was not happily phrased by the Commissioner from the standpoint of his evidence, it will perhaps be observed that at the date it was written Constable Dempster held no position in the Criminal Investigation Branch which could be continued, because it was by this very memorandum that authority was given the Deputy Commissioner to transfer him to the Criminal Investigation Branch. What the Commissioner must be fairly understood to be saying, therefore, is that Constable Dempster is to continue in his present position—i.e., as an operator—and is to work in the Criminal Investigation Branch. The memorandum is unintelligible, in my opinion, if it does not mean that, and the Deputy Commissioner must have so understood it, particularly in view of the language of the earlier memorandum he had received from Mr. Stringer (Exhibit 152). That Deputy Commissioner McCready so understood the Commissioner's last memorandum on the matter is clear from the instructions he himself gave Constable Dempster on the latter's return from vacation on July 2nd, 1943. The Deputy Commissioner testified
1475 that he simply told Constable Dempster "to carry on from the C.I.B."

25. It is unfortunate that no memorandum on the closing of the Special Branch was issued by Mr. Cross, the Attorney-General, or the Deputy Attorney-General, and I am satisfied that there was as a result a misunderstanding between Mr. Cross and Commissioner Stringer with regard to the nature of the work Constable Dempster was to perform after his transfer to the Criminal Investigation Branch. The misunderstanding was no doubt contributed to in part by the Commissioner, in that he had not, as previously stated, requested instructions on the point in his memorandum of May 19th to the Attorney-General. But Commissioner Stringer must have had in mind that at least certain phases of the work of the Special Branch would have to be continued. War industries had become accustomed to writing in for information on prospective employees, and that kind of inquiry would continue to come in and have to be answered. Further, liaison would still have to be maintained with the R.C.M.P., the Special Branch of the Toronto Police Force, and other police bodies; and there was the security of property belonging to the Province also to be considered. Certainly nothing in the evidence indicates that Mr. Cross or anyone in authority instructed Commissioner Stringer to discontinue the work done by the Special Branch, and I am convinced that the Commissioner would not have authorized continuation of that work on his own initiative, particularly if he had been given clearly to understand by Mr. Cross that no more such work was to be done. The Commissioner testified as to his own belief in the necessity for its continuance when he was asked:

2037 "Q. And to that extent it"—i.e., the Special Branch—"had outlived its usefulness?"

and answered:

"A. I would not say that. The war was still in a critical stage. We thought that the work which was formerly done could be carried on by the members of the C.I.B."

1230 26. Constable Dempster was still absent on vacation on June 30th, 1943, when Constable Rowe said he was detailed by Deputy Commissioner McCready to take a police truck and report to Chief Inspector Ward of the Criminal Investi-

1232 gation Branch. The Chief Inspector stated that he had instructed Constable
Rowe to move the files of the Special Branch to the Criminal Investigation
Branch storage room in the basement of the Parliament Buildings, and that
Rowe had done as he was told with the assistance of two helpers. Constable
Rowe stated in his statutory declaration of May 30th, 1945 (Para. 3 of Exhibit 15)
that the office of the Special Branch had been completely dismantled at this time
and everything removed except an electric fan. He testified to like effect in
the proceedings except that he said the telephone had also been left. He added
that he returned to the office a few weeks later to look for a missing electric fan—
not the one previously mentioned—and that the office was entirely bare except
for the telephone on the floor. However, after first admitting on cross-examina-
tion that he might possibly be mistaken about the office desks, he said later,
on being pressed, that he was quite certain they were never removed from the
Special Branch. He also admitted that he could not say the office was not used
by the Force during the months of July, August, September and October, 1943,
except for the one day he mentioned. The Deputy Commissioner wrote a
memorandum to the Deputy Minister of Public Works on July 2nd, 1943,
saying in part:

1473 "It has now been decided to have the work of this Branch transferred to the
regular C.I.B. and for that reason we are vacating the room.

"There are a few pieces of furniture in that office which I would respectfully
ask that they be left there for a few days, until properly placed in our quarters
in this main building.

"The telephone, a direct line, RA. 5782, we will not require from this date.
Would you kindly arrange with the Bell Telephone Company to cut in,
when any person dials RA. 5782, and refer them to AD. 1211, local 37.
Thank you."

I am satisfied on the evidence that nothing but the typewriter, possibly the
typewriter desk, and the files and records of the Special Branch, and the cabinets
in which they were contained were moved to the Criminal Investigation Branch
storage space, and therefore that the office was not completely dismantled as
Constable Rowe first testified and as he had informed Mr. Jolliffe before his
first radio address. From the said memorandum to the Deputy Minister of
Public Works (Exhibit 157) it appears that Deputy Commissioner McCready
intended to move the furniture, and no doubt the filing cabinets as well, to the
Criminal Investigation Branch office in the Parliament Buildings when space
could be found there, but it seems clear that no such space was ever found.

961 27. Constable Dempster returned from vacation on July 2nd, 1943. The
Deputy Commissioner's recollection was that he had telephoned him on June
16th telling him that his resignation was not being accepted, and he referred to,
1469 his pencilled note appearing on Exhibit 155 as bearing out his recollection.
Constable Dempster said, however, that he did not hear until after his vacation
750 that he was still on the strength of the Force. Nothing seems to turn on which
version is the correct one. Constable Dempster said he reported to the Deputy
751 Commissioner on his return and was told by him "just to carry on with the
1475 work I was doing." The Deputy Commissioner related that he gave the keys of
18 Surrey Place to Constable Dempster at that time. After receiving the keys,
748 Constable Dempster said that from July 2nd he was alone in that office. It is

ar that he was not assigned a desk in the Criminal Investigation Branch office, and the Deputy Commissioner also stated that the office at 18 Surrey Place was the only office Constable Dempster continued to use. Constable Dempster related, and he was confirmed by what the Deputy Commissioner said, that he reported every mornnig personally or by telephone to the Deputy Commissioner or to his office. He said that after his return to 18 Surrey Place he did not do very much work.

28. Constable Dempster stated that he asked two or three times for the return of his files, and related the difficulties he encountered in having to go to where they were stored from time to time for information. He said that he was "checking files, checking the lists for the different defense industries" and doing quite a bit of reading. He said he may have made reports on persons or organizations of the kind he did previously, but not many. That he also performed other services for the Criminal Investigation Branch is clear from Exhibit 160, which is a list of criminal cases upon which he did some work. An examination of this exhibit reveals that he had been working upon such cases since October 7th, 1942, and that he continued to do so as late as February, 1945.

29. While the Special Branch as such was abolished in June, 1943, in the circumstances hereinbefore mentioned, in my opinion:

- (1) The anti-sabotage and/or anti-subversive work that Constable Dempster had been doing in the Special Branch was continued by him at 18 Surrey Place after he returned from his vacation on July 2nd, 1943;
- (2) Such work was continued by the Criminal Investigation Branch under Deputy Commissioner McCready by authority of Commissioner Stringer's memoranda to him, dated June 9th and 15th, 1943 (Exhibits 152 and 155); and
- (3) Commissioner Stringer was justified in believing that he had been authorized to carry on the work of the Special Branch by both the then Attorney-General, Mr. Cross, and the Deputy Attorney-General, Mr. Snyder.

This I find to be the general situation which prevailed with reference to the Special Branch, to its work, and to Constable Dempster on August 17th, 1943, the date the Drew Government assumed office.

Authority for Further Continuation of Constable Dempster's Work after the Drew Government Assumed Office

30. The Honourable Leslie E. Blackwell testified that within two weeks of August 17th, 1943, the date he was sworn in as Attorney-General in the Drew Government, he had a brief discussion with Commissioner Stringer. He said:

"In that discussion I merely indicated to the Commissioner that I felt, in relation to the affairs of the Provincial Police, it was my responsibility as Minister to make recommendations on general policy, and it was for him as Commissioner of Police to administer the Provincial Police Force free from any political interference; that was the substance of that discussion."

There were other discussions between the Attorney-General and Commissioner Stringer concerning a certain reorganization within the Force, but if the Special Branch had been discontinued by the former Government in June, 1943, as Commissioner Stringer stated, and as I have found, it is not surprising that he did not then make mention of the Special Branch to the new Attorney-General.

1628-In any case, the Minister swore that he never heard of the existence of the Anti-
9 Sabotage Branch or a branch dealing with subversive activities until Mr. Jolliffe made his first radio address. The Minister swore, further, that he had not known of Constable Dempster's existence until his name was mentioned by Mr. Jolliffe on the occasion to which I have just referred. I have been unable to find anything to the contrary in the evidence, beyond the Minister's admission that Constable Dempster's name is to be found in a copy of an Order-in-Council dated June 8th, 1944 (Exhibit 60), by the terms of which Constable Dempster and more than forty other special constables were re-employed by the Force as Constables, Group 1. The Minister said that Constable Dempster's name had not then been called to his attention, and he had taken no particular notice of it. Beyond that the record is bare of any mention to the Attorney-General of Constable Dempster or his work by Commissioner Stringer or any other member of the Force, or by any person connected with the Attorney-General's Department; and there is absolutely nothing to indicate that Commissioner Stringer ever received from the Minister or from anyone in his Department any intimation that a change of policy was advisable in the matter of Constable Dempster's work. The subject was never, in my opinion, discussed, because Commissioner Stringer never saw fit to bring it to the Minister's attention.

31. Deputy Commissioner McCready testified that Constable Dempster's com-
1477-plaints about the lack of facilities for doing his work were bitter, and that he
A received from him a memorandum dated November 1st, 1943 (Exhibit 158) in which he requested a typewriter and desk, a stenographer assistant—Dempster could type by the one-finger method only—a telephone with an unlisted number, the files and card indexes of the old Special Branch, and the occasional use of a
1477-car which would be used mainly "to attend evening meetings of certain organiza-
B tions and associations," and which should bear a non-traceable series licence number. The Deputy Commissioner acceded to these various requests except that he did not supply the type of automobile licence plate that Dempster wanted, if such could have been provided. He said he arranged with Inspector Moss to lend his stenographer, Mrs. B. M. Freeman, to Dempster on occasion; that he caused a new unlisted telephone to be ordered; and that he instructed Rowe on November 3rd, 1943, to supervise the return of the filing cabinets and card indexes to 18 Surrey Place. Rowe testified that he had carried out his instructions in this respect. The Deputy Commissioner referred the matter of steno-
1477-graphic help to Commissioner Stringer because he stated that the Commissioner
C had approved his approach to Inspector Moss for stenographic help. This was
2039 confirmed by the Commissioner himself. But, in my opinion, it is unlikely that the Deputy Commissioner approved of Dempster's various requests without first taking them up with the Commissioner.

32. If Commissioner Stringer stopped to consider Constable Dempster's request for improved working facilities, it can only be presumed from the way he dealt with it that he considered it of a routine nature, involving no matter of government policy, and hence within his own jurisdiction. As a result he did not refer it to the Attorney-General or any member of his Department.

Reasons for the Increase of Constable Dempster's Interest in the C.C.F. Party

33. At the time Constable Dempster sent his memorandum of November 1st, 1943 (Exhibit 158) to the Deputy Commissioner following upon his bitter complaints about lack of proper working facilities, neither the Commissioner or his Deputy, nor any other person connected with the Force, knew that in the preceding April he had become acquainted with Mr. Montague A. Sanderson, and in the month of May following with Mr. Gladstone Murray. Mr. Sanderson was the president of Reliable Exterminators Limited, a company which carried on business in Toronto as commercial exterminators of vermin and other pests. Mr. Murray was engaged also in Toronto as an independent business counsellor and an advocate of free enterprise; and he issued published material from time to time under the name: "Responsible Enterprise." Mr. Sanderson was a Progressive-Conservative of an aggressive type, whereas Mr. Murray professed no political allegiance. Mr. Sanderson and Mr. Murray were, however, opposed to the C.C.F. Party, but for different reasons, as is plainly to be seen from the nature of their published material (Exhibits 248, 251 and 28 to 37 inclusive). Mr. Sanderson, in a series of large advertisements, published or shortly to be published, in the daily press over the name of his company, was seeking to demonstrate that the C.C.F. Party, or at least certain of its prominent members, were aligned with the Communist or the Labour-Progressive Parties. By so doing he hoped to acquire prestige with the members of his own Progressive-Conservative Party, and at the same time to obtain a very considerable amount of publicity for his company's business. Mr. Sanderson indulged in personalities, and his style was both dogmatic and crude, but it was stated by Mr. Jolliffe that he recognized him as no mean propagandist against the C.C.F. Mr. Murray was championing the cause of free enterprise, which he preferred to call "Responsible Enterprise", against Communism and Socialism, and he was therefore incidentally opposed to the social programme of the C.C.F. His published material was not concerned with personalities or politics, but with broad social and economic principles. His style was temperate and scholarly. Mr. Murray said about his work:

2733

" . . . If, as I believed, it was demonstrable that the Enterprise system, with all its admitted faults, could provide better results for the average citizen under our conditions than any form of totalitarian society, then the case for Enterprise could be made impregnable. It was to this purpose that I set myself. . . ."

34. That these new associations had a marked effect upon Constable Dempster and influenced his thinking, particularly with regard to the C.C.F. Party and its social programme, can, I think, be safely assumed. It is hardly improbable, also, that Dempster, like many others, suddenly concluded after the C.C.F. Party had almost been returned to power in the Ontario elections of August, 1943, that private enterprise in the Province was seriously threatened. At all events, and as later developments proved, Dempster came to believe the worst about the C.C.F. Party and saw, incidentally, in the process a real opportunity to better himself financially in the circumstances which I shall mention presently. He was in that frame of mind on or about November 15th, 1943, when Constable Rowe was sent to assist him in the office at 18 Surrey Place.

35. The speed with which Constable Rowe came to his remarkable conclusions

after embarking upon his new duties suggests that he may have already had suspicions about the nature of the Anti-Sabotage work done by the old Special Branch; and also, perhaps, that he had done a little investigating on his own account while supervising the moving of the filing cabinets from and to 18 Surrey Place. In any event, Constable Dempster seems to have begun very early to give him something to think about. Rowe said that at first he accepted only part of what Dempster told him as true, but eventually, within one or two months, he believed a great deal of it.

36. Among the more startling things that Dempster told Rowe concerning himself were the following: that his task was to report upon all the members of the C.C.F.; that he was himself a member of the C.C.F.; that he had influence with both Prime Minister Drew and Attorney-General Blackwell; that a copy of each of his reports went "down town" to Mr. Gladstone Murray and were "lithographed"—i.e., mimeographed—by him, and that sometimes copies went to the members of the Cabinet but on other occasions went to all members of the Government—presumably all Progressive-Conservative members of the Legislature—that in an emergency he could blow up the office at 18 Surrey Place by long-distance telephone through the use of dynamite; that he had personally assured Mr. Sanderson, Mr. Gladstone Murray, Deputy Commissioner McCready, the Attorney-General, Mr. Blackwell, and the Prime Minister, Mr. Drew, "that he would take the 'rap' for anything that happened in regard to those offices" and "that he would take the responsibility and would say that he had exceeded his authority if there was any inquiry regarding it."

37. Constable Rowe said that Constable Dempster made the above-mentioned statements at one time or another during the period of slightly less than three months that he was in the office at Surrey Place, but I find nothing whatever in the evidence to substantiate the truth of any of such statements other than his assertion that he was a member of the C.C.F. Party. Dempster denied telling Rowe any of these things with the exception of the reference he made as to his being able to blow the office up by long-distance telephone, but I prefer Rowe's testimony on these points, and I have also noticed that Inspector Hammond and Mrs. Freeman, the typist who succeeded Rowe early in February, 1944, said that Dempster told them two or three things of a somewhat similar nature. Since Dempster and Rowe were absolute strangers when they met in November, 1943, one might wonder why Dempster should say such things to Rowe, and why Rowe should give them the credence that he did, apparently. In the absence of any other explanation it seems to be fairly certain that Dempster sought to impress Rowe and others with the idea of the importance of his work, and endeavoured to make it clear to them that it would be inadvisable to pry too closely into the work he was engaged in, for the reason that what he did he did with the sanction and encouragement of the Prime Minister, the Attorney-General, and others whom he wished it to be understood were persons of no mean standing or influence. If Dempster believed that he would thus impress Rowe, it is obvious that he was badly mistaken. Rowe came to the immediate conclusion that what Dempster told him was substantially true, and ignoring his superiors completely, he went straight to Miss Macphail and Mr. Jolliffe. It is clear that once he had done that he had burned his bridges behind him, and for that reason was anxious thereafter to find support for his conclusions. He became, therefore, even more gullible than he had been in the beginning.

38. That Constable Dempster did assume greater activity insofar as the C.C.F.

900 Party was concerned after November 1st, 1943, was admitted by him to be a fact. Exhibit 15 is Constable Rowe's statutory declaration of May 30th, 1945, and attached to it are some thirteen exhibits, amongst which are to be found reports of eight persons who are said to be members of the C.C.F. Party. Some of them, including Mr. Jolliffe, were members of the Ontario Legislature. Also amongst these exhibits is to be found a report on a C.C.F. caucus, and a
901 copy of a proposed C.C.F. labour bill. Dempster said that the reason for his increased interest in the C.C.F. Party was that about the beginning of November, 1943, Mr. Tim Buck, who has long been identified with the Communist Party in Canada, made a speech in Regina "in which he stated that it was the duty of all forward and progressive-minded people to work for the election of the C.C.F. Government." Dempster also stated that Mr.
902 Harold Winch, said to be a leader of the C.C.F. Party in British Columbia, made a speech about the same time "wherein he stated that if a Socialist or a C.C.F. government was elected they would use the power of the police and the military to suppress opposition, and that Russia knew the answer." As a result, he said, he was quite interested to find out if there was any "tie-in" between the C.C.F. Party and the Labour-Progressive Party, which latter party he thought was the old Communist Party. No satisfactory evidence was put in to indicate when these speeches were delivered, if they were in fact delivered, but Mr. Jolliffe stated in the course of his argument that Mr. Tim Buck's Regina speech was made considerably later than the date Dempster mentioned. However, in fairness to Dempster it should be found, if he believed that these statements had been made—and it must be presumed that he did—he was justified in seeking to determine whether there was any link between the C.C.F. and the Communist Party. Mr. Jolliffe explained in his evidence that there has never been any such link, and no one disputed him. However, in view of the acquaintanceship he had formed with Mr. Sanderson and Mr. Murray, to which I have alluded, I am satisfied that Dempster's increased activity in the matter of the C.C.F. Party was not entirely due either to the speech of Mr. Buck or the speech of Mr. Winch.

Statements Concerning Himself which Constable Dempster made to Constable Rowe

39. The Prime Minister testified that he did not even know Dempster and had never spoken to him prior to Mr. Jolliffe's first broadcast. Dempster swore that
841 he had never had any discussion with Mr. Drew. He said he had seen him twice, once at the Albany Club and once at the Empire Club; but he later stated that he did not remember seeing Mr. Drew at the Albany Club. He related that
885 Mr. Drew had addressed a luncheon meeting at the Empire Club on the occasion of his having seen him there. He said he was standing near the door, and as Mr. Drew went out he, among others, had shaken his hand. He admitted that he had offered himself as an Independent-Conservative candidate in 1939 in a Simcoe East by-election and it was suggested that he had withdrawn from this by-election and allowed Mr. Drew to obtain an acclamation; but he swore that he had withdrawn in favour of the C.C.F. candidate and not in Mr. Drew's favour. That he was consistent in this appears from Exhibit 97, a copy of the issue of the *Orillia Packet and Times* of Thursday, February 16th, 1939, in which he is reported to have announced that he was making way for the C.C.F. candidate. As previously stated, the Attorney-General testified that he had never
842- heard of Constable Dempster prior to Mr. Jolliffe's first broadcast, and Dempster
3 stated that he did not know the Attorney-General personally; that he had seen

him for the first time during the course of the inquiry; that he had never talked to him or met him socially or otherwise. It is clear upon this evidence that Constable Dempster had no influence whatever with either Mr. Drew or Mr. Blackwell, and, further, that he knew neither gentleman personally

40. There is not a tittle of evidence to support Constable Dempster's statements that Mr. Murray obtained a copy of his reports and lithographed or mimeographed them, and hence nothing to indicate that Mr. Murray ever sent a copy of any such report either to any member of the Drew Cabinet or of the Legislature.

41. Dempster admitted that he did join the C.C.F. Party and that he held a membership card therein (Exhibit 98) dated in 1942, long before he met either Sanderson or Murray, and he swore that he had renewed his membership from time to time.

42. That Constable Dempster possessed means with which to blow up the office at 18 Surrey Place with dynamite by using the long-distance telephone would seem fantastic, unless dynamite were found to have been cached there. There was no evidence of the presence of dynamite. In passing it might be said that

334 Constable Rowe was of the opinion that "if a telephone rings current can be used that will ignite dynamite", and that he felt he could do it himself with the knowledge he had at the time of the inquiry. While this may well be true, the suggestion made by counsel that it would have been unfortunate if someone happened to dial the wrong number left Constable Rowe, as I observed him, quite calm and unperturbed at the thought.

43. Constable Dempster's statement to Constable Rowe that he had assured Mr. Sanderson, Mr. Gladstone Murray, Deputy Commissioner McCready, Mr. Blackwell and Mr. Drew personally that he would "take the 'rap' for anything that happened at 18 Surrey Place, and that he would assume responsibility by saying that he had exceeded his authority if there was an inquiry regarding the matter" is, in my opinion, equally fantastic. That any of the persons mentioned would place his personal fortune—in the case of Mr. Drew and Mr. Blackwell their political fortunes—in the hands of Constable Dempster is grotesque. Counsel for Mr. Jolliffe urged upon me that Dempster would not have made such a statement unless he felt that his work, or at least some of it, was unauthorized and beyond the pale. I quite agree. In my opinion it was precisely for that reason that he said these things to Rowe. I am satisfied that he well knew that his increased activities in the matter of the C.C.F. Party would not be countenanced by his superiors if brought to their attention, and that Rowe might report him to higher authority unless he made him believe that what was being done by him was sanctioned by the Prime Minister, the Attorney-General, and Deputy Commissioner McCready.

What Constable Rowe Witnessed and Overheard at No. 18 Surrey Place

44. Constable Rowe was disturbed not only by what Constable Dempster told him, but by what he witnessed and overheard at 18 Surrey Place, and, in my opinion, not without some justification. I think I might now allude to the more important things that Rowe witnessed or overheard and which no doubt convinced him that Dempster, Mr. Drew, Mr. Blackwell, Mr. Sanderson, Mr.

Murray, Commissioner Stringer and Deputy Commissioner McCready were parties to what he termed a "traitorous conspiracy." Mr. Jolliffe did not mention Mr. Blackwell, Mr. Stringer or Mr. McCready in his first radio address, but I consider it convenient to deal with the evidence as it relates to them at one and the same time.

The Sanderson Advertisement

45. With reference, first, to Mr. Sanderson and Constable Dempster, Constable Rowe stated that he saw Sanderson in the office at 18 Surrey Place once or twice before December 29th, 1943. On that or those occasions he said that Sanderson was securing information from the files, and that Dempster permitted him to do so at will. On December 29th, 1943, Rowe testified, Sanderson had spent a great deal of time in the office at 18 Surrey Place gathering material which was to be included in an advertisement he intended to be published, and which was in fact published on December 31st, 1943, in the Toronto *Evening Telegram* (Exhibits 28, 32 and 34) and on January 1st, 1944, in the Toronto *Globe and Mail* (Exhibits 35 and 36). The advertisement was published on the eve and on the very day of the Toronto municipal election held on January 1st, 1944. Publication of these advertisements resulted in libel actions against the publishers of the said two Toronto papers and Mr. Sanderson and his company; the statement of claim in one of these libel actions was filed as Exhibit 16. Rowe said that at the joint dictation of Dempster and Sanderson he had typed a memorandum containing the information from the files of the office at 18 Surrey Place which Sanderson wanted for his advertisement. He kept a copy of this memorandum, and it was filed as Exhibit 15 (k). Miss Margaret Carruthers, former secretary and stenographer employed by Sanderson's company, related that she had been engaged in the capacity mentioned from September, 1943, until September, 1944. This witness stated that she resented certain remarks made about her by Sanderson and that she had come forward voluntarily "somewhat in a spirit of revenge." Nevertheless, she impressed me as being honest and frank. She stated that Dempster was frequently in Sanderson's office; that there were periodical telephone calls between the two men which she put through or accepted; that she was sent on occasion to obtain literature at C.C.F. headquarters, and that she delivered the material to both Sanderson and Dempster on her return to Sanderson's office. She said that Dempster was quite frequently in Sanderson's office during the week prior to January 1st, 1944, and that there was much talk between the men about the Sanderson advertisement. She also swore that Dempster handed material to Sanderson at times, and that she had made copies of it, but she did not specify the nature of the material. Private Robert G. Hall, to whom I have previously referred, stated in his statutory declaration (Exhibit 13, para. 7):
- 182-3 "... Captain Dempster assisted Mr. Sanderson in preparing an advertisement that was inserted in the *Evening Telegram* and the *Globe and Mail* at the time of the municipal elections of January, 1944. Captain Dempster was closeted in Mr. Sanderson's office for several days at the time of the preparation of this advertisement, which was shown to me in proof form by Mr. Sanderson, as what he and Mr. Dempster had been preparing together for insertion in the newspapers."

Private Hall's oral testimony was in substantial agreement with the paragraph just quoted. Both Dempster and Sanderson denied these various assertions,

but where there is conflict upon the points referred to I accept without hesitation the evidence of Constable Rowe, Miss Carruthers and Private Hall.

46. I have likewise no hesitancy in finding, as I do, that the material, or much of the material, that found its way into Sanderson's advertisements came from the files of the office at 18 Surrey Place. Exhibit 15 (k) which is the memorandum containing the information dictated to Rowe by Dempster and Sanderson jointly contains statements with reference to some eleven persons. The name of each of these persons and certain data with respect to each are to be found in the advertisement of December 31st, 1943, and January 1st, 1944. With reference to the biographical data contained in the memorandum Exhibit 15 (k) I think it only necessary to state that the following passage referable to Mr. William Dennison is to be found:

"When Professor G. Grube, school trustee, endeavoured to have the religious test for applicants applying for positions in Toronto public schools deleted from the board's regulations, Dennison as school trustee took an active part in supporting Grube's resolution."

In the advertisement mentioned appear the following words with reference to Mr. Dennison:

"When trustee Prof. George Grube attempted to delete from the Board of Education Regulations the religious test for applicants to positions in Toronto Public Schools, Dennison, who was then a trustee, actively supported Grube's resolution."

It is clear that not only the substance but also some of the wording in the above excerpts concerning Mr. Dennison are identical. Furthermore, it was established to my satisfaction from the testimony of Mr. Dennison that the facts stated were false. He swore that he had never been a member of the Board of Education
2830 at a time when Professor George Grube was a member of that Board, and no one testified to the contrary.

The Drew Letter

320 47. Referring to the Honourable Mr. Drew, Constable Rowe testified that Mr. Sanderson had come into the office at 18 Surrey Place one day apparently quite worried because he had been advised that his advertisement (Exhibits 32 and 35) was libellous, and that he "questioned Constable Dempster more closely into
321 how accurate that information really was." Rowe then went on to say that quite a few days afterwards, and following the issuance of the writs in the libel actions—Exhibit 16 establishes that they were issued on January 10th, 1944—Sanderson was back again in the office, at which time Dempster said to him:
322 "Oh, by the way, show John that letter from the Prime Minister." Rowe added by way of parenthesis that he had somewhat questioned earlier statements made by Sanderson to the effect that he was a personal friend of the Prime Minister and had remarked upon his doubt to Dempster, who then told him that Sanderson had a letter in his possession from Mr. Drew in which: "The Premier had assured
545 'Sandy', as he called him, that the expenses"—of the libel suits—"would be taken care of." It was no doubt to assure Rowe in this regard that Dempster
322 asked Sanderson to produce the letter. Rowe added: "Mr. Sanderson then took the letter out of his pocket and read it to me. I could see two things about the

letter: I could see the official heading, and I could see the signature, because the thought always was in my mind that maybe this was a letter that might not be genuine, and for that reason I looked deliberately at the heading on the paper and at the signature.” Rowe stated that he was standing so close to Sanderson
324 that his own eyes were about forty inches from the letter. He said he saw the salutation “Dear Sandy:” and added: “. . . as Mr. Sanderson started to read the letter . . . I could not be definite” (about the contents) “within the few seconds that it took to read” it; but he did check the first sentence which read: “They
325 tell me that since I went away you are getting quite ritzy” and he stated that the tenor or substance of the letter, from what Sanderson read aloud, was that his (Sanderson’s) expenses in connection with the libel actions would be “taken care of.” When pressed as to his familiarity with Mr. Drew’s signature he said he had seen it—I presume he meant a facsimile of it—on official government pamphlets and other literature, and he added: “I am not swearing to that signature, but to the best of my knowledge and belief it was the signature.” Also
326 he was not sure whether it was signed “George A. Drew” or “George Drew.” I asked Rowe:

655 “Q. You are quite sure it was not a rubber stamp, or anything like that?”
and he answered:

“A. I will have to qualify that a little bit. I have seen stamped signatures, and there is a certain difference in the ink. I don’t think it was. I think it was a hand signature but I would not swear that.”

48. As I have already said, Rowe’s knowledge of the purport of Mr. Drew’s alleged letter came only from what Sanderson and Dempster told him. It seemed exceedingly strange to me that if, in fact, Sanderson had such a letter, he would not have given Rowe time to read it for himself instead of “flashing” it before him, as Rowe says he did. If Sanderson had not wanted to let it out of his possession even for a moment, he could still have held it so that Rowe could have read it. This Sanderson seems to have taken pains not to do. Nonetheless, Rowe came to the conclusion from what he saw and heard that the letter
542 was genuine. He said to himself: “This letter they have been talking about is authentic.” Rowe then stated that he told Mr. Jolliffe about seeing the letter at the first opportunity and within a week at least of his seeing it.

49. The only other testimony upon the question of Mr. Drew’s letter is to be
2934 found in the evidence of Miss Margaret Carruthers. She said that Sanderson told her he had received a letter from Mr. Drew. This was some time in January,
2935 1944, she thought. This statement was not made directly to her. She related: “It was just in general.” On various occasions she said Sanderson claimed he had received some such letter. However, on no occasion could she remember
2934 having seen it. She said that Sanderson seemed quite pleased, and that she
5 understood the letter had something to do with the libel actions. Mr. Jolliffe
139 was of the impression, and so stated in the course of his evidence, that Miss Carruthers told him that she had seen the letter, but I am satisfied that he was mistaken in this respect. Miss Carruthers was asked these questions and made the following answers.

2937 “Q. Did you tell Mr. Jolliffe that you had seen a letter from Mr. Drew?

"A. I do not remember.

"Q. Do you mean you do not remember whether you had seen the letter, or that you do not remember telling Mr. Jolliffe?

"A. I do not remember either.

"Q. And if you did tell Mr. Jolliffe you had seen the letter, that was not quite so?

"A. Not quite so, yes.

"Q. You had not actually seen the letter?

"A. I do not remember.

"Q. You do not remember seeing any letter?

"A. No."

It will also be noted that the existence of the alleged letter from Mr. Drew again depends upon what Sanderson told somebody.

50. Private Robert G. Hall, another of Sanderson's employees to whom I have alluded, said that he knew nothing about this alleged Drew letter. He did say, however, that one day Sanderson had asked him if he would like to read a copy of a letter which Mr. Drew had written to the Prime Minister of Canada with respect to the Hong Kong Inquiry. He said he was not particularly interested, but that it had been handed to him and he had taken it home and read it. Mr. 2345 Drew testified concerning his Hong Kong letter:

"That was a letter which was sent to a number of people, including Mr. Coldwell" (Leader of the C.C.F. Party in Canada) "and others, and there were many hundreds of copies of that printed, and anybody who asked for it could obtain it. I know every daily newspaper in Canada had a copy of it, and it is quite possible that Mr. Sanderson obtained a copy from my office, because I had given instructions that anyone who wanted it could have it."

Mr. Jolliffe stated in connection with the alleged Drew letter during the course of his first radio address:

"Sanderson is very vain—he showed the letter to too many people."

Upon the whole of the evidence I am unable to find that he actually showed the letter to any person in the sense that he ever let anyone read it.

542 51. Constable Rowe's recollection was that he was sure the letter bore the letterhead: "Ontario House." Ontario House, as everyone who is at all familiar with the affairs of this Province knows, is located in London, England, at a different street address from that of the former Ontario House which it was said was closed by the Liberal government in 1934 or 1935. Mr. Drew testified that he went to England on November 27th, 1943, for the express purpose of procuring a new location for Ontario House, and that he had arranged while there to

secure certain premises—which had sustained considerable war damage—but that the arrangements were not completed until February, 1944, some time after his return to Canada. He swore that there was no “Ontario House” in existence in December, 1943, or January, 1944, and no Ontario House stationery until after it was supplied in England in February, 1944. There was filed as Exhibit 228 an invoice dated in that month from Sellwood & Micklewright, Limited, London, S.W.1, covering this stationery. Mr. Drew stated that he left Scotland by air transport on December 31st, 1943; that he landed at Washington, D.C., on January 1st, 1944; and that he arrived back in Toronto on January 3rd, 1944. He said that he never heard of the libel actions against Sanderson until after he read about them in the daily press, which could not have been earlier than January 10th, 1944, but in any event it is clear that he could not have written from England assuring Sanderson that his expenses in connection with the libel suits would be taken care of, for the reason that he left England on the very day Sanderson’s advertisement appeared in the Toronto *Evening Telegram*—ten or eleven days before the writs in the libel suits were issued. Upon being pressed in cross-examination, Mr. Jolliffe stated that he was then satisfied the alleged letter could not have been written “all the way from England.” Upon all the evidence I am of the opinion that Mr. Drew never wrote the letter which Rowe says Sanderson flashed before him, and that there was no such letter. Any other conclusion would be in the very teeth of the evidence. What I do think is that what Sanderson held briefly in front of Rowe was something which had been prepared for the occasion.

Copies of Constable Dempster’s Reports

52. With reference to the Honourable Mr. Blackwell, Rowe said that Dempster had told him that copies of his reports went to the Prime Minister and to the Attorney-General. Mr. Drew denied that he had received a copy of any of Dempster’s reports, but Mr. Blackwell admitted that he had received from Commissioner Stringer copies of some forty-one of them. They had been filed in his office, he indicated, and he produced his file containing them. These reports bear date from November 19th, 1943, to June 9th, 1944, inclusive. There is one on Mr. Samuel Lawrence, dated December 3rd, 1943; one on Mr. Jolliffe dated December 15th, 1943; one on Mr. M. J. Coldwell, dated January 5th, 1944, and one (undated) on Mr. William D. Dennison. Mr. Lawrence was the President of the Ontario C.C.F. and seeking election as mayor of the city of Hamilton at the time. Mr. Jolliffe was, of course, the Leader of the Ontario Provincial C.C.F. Party in the Legislature. Mr. Dennison was the C.C.F. member for Toronto-St. David, and Mr. Coldwell is the Federal Leader of the C.C.F. Party. Mr. Blackwell stated that he had looked at the first three of these reports somewhat casually, merely gathering an idea of what they were about, and then handed them to his secretary to file. One of these was the report on Mr. Lawrence. The other thirty-eight reports were allowed to accumulate as they came from the office of the Commissioner of Police. Mr. Blackwell said that substantially all of them were placed on his desk at one time in a bundle in June, 1944. He stated that he had glanced through a number of them and had determined that they concerned the Communist Party of Canada or the Labour-Progressive Party. He said he called in his secretary, Mr. A. W. Nicol, and asked him about them and was informed that they were secret and confidential reports obtained by the Ontario Provincial Police. Mr. Blackwell said he asked who prepared them, and that Mr. Nicol said he believed they had been obtained by the police from a secret operative. Mr. Blackwell stated:

1642 "I could not see that the contents of these reports produced any public business that required my attention, and I told Mr. Nicol to convey to the Commissioner of Police the fact that I wished to see no more of them unless they were reports of a nature that required some action on my part."

Thereafter no more of Dempster's reports were forwarded by the Commissioner's office to the Attorney-General. All this was substantially corroborated by what Mr. Nicol stated in evidence. Mr. Blackwell said he had looked at the report on Mr. Jolliffe and concluded that it was "a lot of rot."

2176 He further said he had been particularly busy at the time the reports had been put on his desk in a bundle. However, after making all due allowance for the pressure under which he was working at the time, I am of the opinion that he should have gone to some trouble to ascertain the identity of "D. 208" and how he obtained his information; and I think the Attorney-General should have found time to discuss these matters with Commissioner Stringer before dismissing the reports as of no importance. Had he done so, he would have at least discovered that the Ontario Provincial Police Force was carrying on anti-subversive work, and it is just possible, although not at all certain, that he might have investigated and come to the conclusion that Constable Dempster's work was not all that it should be. At all events, if he had looked into the matter he would have been saved the embarrassment of having to admit at the inquiry, as the Minister responsible for law enforcement in Ontario, that the Provincial Police Force had been carrying on anti-subversive work from the time he was sworn in as Minister until May 24th, 1945, without his knowledge.

53. Rowe said it was his custom to make seven copies of Dempster's reports, three of which, Dempster had indicated, were sent to the office of the Deputy Commissioner, and one of which he retained. Mrs. Freeman said that after February 2nd, 1944, as a general rule she made eight copies on Dempster's instructions. She said she had asked Dempster what he wanted eight copies for, and that he replied: "I give them to the Commissioner. He distributes them to the Premier and the Cabinet." It will be recalled that the Attorney-General admitted receiving copies of some forty-one reports, but the Prime Minister denied receiving a copy of any report. Except for the above quoted remark attributed to Dempster by Mrs. Freeman, no one seriously suggested that any other Cabinet Minister had received copies of the reports, and I am satisfied that in making that remark Dempster was merely seeking to impress Mrs. Freeman with the importance of the work in which he was engaged. Rowe testified that he knew of no occasion on which the Prime Minister had received a copy of any report. Copies of many of Dempster's reports were unaccounted for, and I was therefore asked to find that copies reached the Prime Minister, but on the evidence it is impossible to do so. There was no prescribed routine for the handling of the copies in the office at Surrey Place or in the office of the Deputy Commissioner. Dempster said he did not put any file back in the cabinet after November, 1943. He claimed he knew nothing about filing documents, and that everything had become jumbled on his desk. Amid such confusion it is more than likely that some of the missing copies may have been mis-filed or lost. On such evidence, I am unable to find that they ever reached the Prime Minister or any member of his Cabinet other than the Attorney-General.

The C.C.F. Labour Bill

54. Again with reference to Mr. Blackwell, Rowe saw a copy of a proposed C.C.F. labour bill which he said Dempster told him the Attorney-General had

asked him to obtain. Rowe made a copy of this proposed bill and retained it. The Attorney-General specifically denied that he had asked Dempster to procure such copy. He said that if he had wanted one he could have readily obtained it
1657 through the Legislative Counsel who prepared the bills of all political parties
1658 in the House. He said he never had, and never would, pry into legislation sponsored by other political parties. Dempster testified that he had obtained the
801 copy of the proposed bill from a Mr. Strange at C.C.F. headquarters at Toronto. He said he merely wanted the document for his own records, and swore that
803 the Attorney-General had never asked him to obtain it. There was nothing secret about this bill, he claimed, because he had previously read it in full in the "New Commonwealth." Mr. Strange was not called to deny Dempster's statements as to prior publication of the bill or as to the source from which he had obtained the copy. I am satisfied that Dempster did say what Rowe claims he said about the Attorney-General having asked him to procure the copy, but as between Dempster and the Attorney-General I have no hesitancy in accepting the latter's statement that he never requested Dempster to obtain a copy of the bill.

Constable Dempster's Trip to Fort William-Port Arthur

55. With further reference to Mr. Blackwell, Rowe related that Dempster had indicated on one occasion that he intended to secure permission from Deputy Commissioner McCready to make a trip to Fort William and Port Arthur.
316 The object of the trip, Rowe said, was to investigate Mr. Garfield Anderson who had been elected to some position within the C.C.F. Party. Rowe stated that Dempster "left the office supposedly for that purpose and he came back into the office very much annoyed," and he said Dempster then told him that the Deputy Commissioner had refused to grant him permission. Rowe then reported Dempster as saying: "I'll show those monkeys who is really running this Force." He said Dempster then telephoned down town to Mr. Murray. About the discussion which he afterwards had with Dempster Rowe said:

454 "Gladstone Murray was supposed to have said to Dempster—he had assured Dempster, from the story told to me—that he would have the Attorney-General cause the Deputy Commissioner to overrule or countermand his own instructions that he would not go, and very shortly afterwards the call did come back from the Deputy Commissioner saying he could go to Port Arthur if he kept his expenses under \$200."

Rowe stated, however, that he was not sure whether it was the Deputy Commissioner who had telephoned. He said:

317 "... Later on the Deputy Commissioner—I did not hear his voice, but I understand it was him—called up to Dempster at our office and told him that he could make that trip to Fort William . . ."

It should be noted in passing that Rowe did not profess to know to whom Dempster had been speaking on either occasion, or what had been said by the other person, except from what Dempster related to him afterwards. Rowe further testified that he understood that Dempster made the trip to Fort William,
318 and that he was gone from the office three or four days.

56. Deputy Commissioner McCready stated that following a talk with the

1483 Commissioner he had granted Dempster permission to go to Port Arthur. He
said he had never refused him permission, and denied that it had been necessary
for the Attorney-General to intervene. Mr. Murray also denied that he had
2754 any such telephone conversation with Dempster, or that he had communicated
5 with the Attorney-General in the matter. The Attorney-General also denied
1667 the incident. Just what did take place it is impossible to gather from the evidence.
It may well be, and I would have been prepared to find, that Dempster did
discuss with Rowe a trip he planned to take to the head of the lakes except for
certain difficulties in Rowe's evidence. Rowe's duties in the office at Surrey
Place were terminated on February 2nd, 1944, and it is clear that it was not
until February 9th, 1944, seven days after Rowe left the office, that Dempster
wrote a memorandum, presumably to the Deputy Commissioner, in which he
requested permission to visit Fort William and Port Arthur "and to conduct
discreet inquiry regarding the general Radical-Socialist-Communist set-up and
to identify the organizations and individuals associated with this movement."
This memorandum was filed as Exhibit 75. The disturbing factors about Rowe's
evidence in connection with this trip are, first, that he swore he saw Dempster
516 make out his expense account, and, second, that he typed a report on Mr. Garfield
317½ Anderson before he left the office. Neither of these statements could be true,
because the expense account, which was filed as Exhibit 74, is dated February
29th, 1944, and the report Dempster made on his trip to Fort William, which is
filed as Exhibit 117, is dated March 1st, 1944. From a perusal of the expense
account it would appear that Dempster went to the head of the lakes on February
19th and returned about February 26th, 1944. It was established by Mrs.
Freeman's evidence that the report was typed by her on or about March 1st,
941 and was not typed by Rowe as he stated. This report is entitled: "Radical-
Socialist-Communist situation at Fort William and Port Arthur, Ontario,"
and it merely mentions Mr. Anderson incidentally. I should add that it does not
contain any reflection on Mr. Anderson or his activities. There is no specific
report on Mr. Anderson to be found in the evidence. It was suggested by counsel
for Constable Rowe that Constable Dempster might have made two trips to the
head of the lakes, the first prior to February 2nd, 1944, but there is nothing what-
ever in the evidence to substantiate this suggestion, and nothing to explain the
inconsistencies in Rowe's evidence. Dempster said he made but one trip to Fort
William.

57. With respect to Commissioner Stringer and Deputy Commissioner Mc-
Cready, Rowe never approached either man to tell them what he had seen and
heard at 18 Surrey Place, but as the result of a short talk he had with the Deputy
Commissioner he satisfied himself that both Mr. Stringer and Mr. McCready
were powerless to stop what he believed to be going on around him. This talk
took place, according to Rowe, after Dempster told him that the Deputy Com-
missioner had been overruled in the matter of the trip to Fort William, and had
397 to do with Rowe's own prospects "for a permanent life work in the Force."
Rowe was seeking advice in the matter, and stated that the Deputy Commis-
397 sioner had said to him, with regard to 18 Surrey Place: "Well now, you wouldn't
want to work over in an office like that, in that office, with a man like that."
Rowe then said:

398 "That satisfied my curiosity as to whether he had been overruled regarding
that office and I let it go at that. . . . I formed the impression that he was
utterly disgusted with the set-up himself. I thought he was completely
overshadowed. . . . I said to the Deputy Commissioner, I said, 'I do not like

to suggest it, but,' I said, 'there is a certain disloyalty there,' and he was quite ill at ease about it and brushed the whole subject off and let it go and so I was content."

It does not appear to have occurred to Rowe that the Deputy Commissioner was attempting to advise him with relation to his own future and that he was considering the office at Surrey Place from that standpoint. Rowe could not, in my opinion, have better demonstrated his agility in reaching broad and sweeping conclusions.

58. There was nothing that Mr. McCready said or did to further satisfy Rowe as to the correctness of his deduction, but, on May 28th, after Mr. Jolliffe's first radio broadcast, when Rowe's suspected activity was being investigated, Rowe
474 said he reminded the Deputy Commissioner that he had been overruled in the matter of Dempster's trip to Fort William, and Rowe quoted him as saying in reply: "Yes, that is right." Mr. McCready denied saying any such thing, and
1427 Inspector Hammond, who was present at the time, said that Rowe did bring up Dempster's trip to Fort William but that he did not hear Mr. McCready make any reply. He said the Deputy Commissioner may have replied, but he did not hear him. If this trip was not made until some weeks after Rowe left the office at Surrey Place, as Dempster said and all the evidence seems to bear out, and if Rowe was wrong about seeing Dempster make out his expense account and about his typing the report Dempster made after he returned, as the evidence also seems to establish, Rowe was either confused as to the destination of Dempster's trip—and he seemed quite positive that the trip was to Fort William—or he was inventing the whole story. I am inclined to think he was badly confused rather than that he was deliberately fabricating evidence. Having regard to Constable Rowe's aptitude for jumping to conclusions and his apparent confusion about the whole Fort William incident, I am unable to conclude that the Deputy Commissioner understood him and acquiesced in his suggestion that he had once been overruled in the matter of Dempster's trip to Fort William.

The Aurora Incident

59. The name of Mr. Gladstone Murray having been mentioned in connection with Dempster's trip to Fort William and Port Arthur, I consider it advisable to deal here with another incident of which Rowe professed to have knowledge concerning Mr. Murray. Mr. Jolliffe testified that during the last provincial election he intended one evening to make a speech at Aurora in the interests of
3064 his Party. He said that on that day Rowe got in touch with him and told him there was to be organized heckling at this meeting. Rowe was disturbed, he said, and reported that Dempster had been in communication with Murray and a man
3065 in his office by the name of "Sandell". Mr. Jolliffe stated that later he learned the man's name is Suydam. Rowe reported, Mr. Jolliffe related, that certain questions had been drafted by Dempster for use by the hecklers, which questions might be revised or re-worded in Murray's office. Rowe swore that he typed the list of questions at the office at 18 Surrey Place at Dempster's instructions, and confirmed the fact that he had communicated by telephone with Mr. Jolliffe and informed him about the incident. Mr. Jolliffe went on to say that on the way to the meeting he called at Rowe's home and received a carbon copy of the list, which was filed as part of Exhibit 24. Mr. Suydam admitted that he was present at the Aurora meeting with a Major Baxter and a Mr. Richardson. Mr. Jolliffe

said that after he finished speaking and during the question period Mr. Richardson stood up with a foolscap sheet of paper in his hand. Mr. Jolliffe continued:

- 3067 "I do not wish to give the impression that the only questions asked related to this list, because that would not be correct. There were a number of other questions which do not appear on this list but he started out to apparently read from this list, and I pulled my own list out of my pocket, being interested to hear what was coming. I do not think there were more than three, or, at the most, four questions he asked which sounded as though they came from this list. . . . I remember definitely that he asked me about being counsel for the C.I.O. steel workers. . . . He asked me a question very closely similar to No. 6:
- 3068

'Is it true that of the \$30,000 budget of the C.C.F. central office for the 1943 election over \$22,000 was provided by Unions affiliated with the Canadian Congress of Labour?' "

Mr. Jolliffe concluded with:

"There are 13 questions on this list and I am quite sure that certainly at least two and not more than four were asked."

- 47 It is true that Mr. Jolliffe did not say in his evidence given some days before that he had had the list in his possession and looked at it at the meeting, but he was not asked the question directly, and I accept his statement. When asked if he remembered dictating the list to Rowe, Dempster could do no better than say
- 1091 he did not remember doing so; but in his evidence he said he had a dim recollec-
- 854 tion that he did prepare it. He said he had not given the list to or talked to Mr. Murray about it. Mr. Murray emphatically denied that he knew anything
- 2764 about Mr. Jolliffe's Aurora meeting before it took place, and he stated that he never saw the list of questions or anything resembling it. Mr. Suydam also
- 2994 denied that he had seen the list.

60. I have no doubt that the list of questions was dictated by Dempster to Rowe, and no doubt, either, that the questions were based upon information taken from the files at 18 Surrey Place. There is, however, no direct evidence going to show that Mr. Murray ever had the list or knew beforehand about the Aurora meeting. The only thing that connects his name with the list is Rowe's statement to Mr. Jolliffe that Dempster had been in communication with Mr. Murray and Mr. Suydam. Rowe did not say that Dempster had seen either Murray or Suydam in the office at Surrey Place or elsewhere, and I am bound to infer, therefore, that he was speaking about a telephone conversation he overheard between Dempster and someone whom Dempster said was either Murray or Suydam. This evidence is certainly not, in my opinion, sufficient to connect Murray with the list of questions. Moreover, Suydam said that Murray was not in his office on the day of the Aurora meeting and that he had not informed Murray about the meeting until he returned to the office the following Monday morning. Mr. Suydam, however, did know about the Aurora meeting beforehand, and although he professed not to know anything about it until the evening it took place, he admitted that he had been invited by Major Baxter to go to their place in Aurora to spend the week-end. It must be presumed that he received the invitation some time prior to the meeting. I am satisfied that Mr. Jolliffe was not mistaken in concluding that the list of questions, part of

Exhibit 24, provided the material for Richardson's interrogation of Mr. Jolliffe at the meeting. His conclusion in that regard is my own conclusion. This being so, I am satisfied that Dempster put Suydam in possession of the list in some way and that Suydam took it with him to Aurora and either gave it or showed it to Richardson.

Constable Dempster's Association with Mr. Sanderson

61. Early in the inquiry it became apparent that Rowe did not know all that was going on between Dempster and Sanderson. For example, in order to assist Sanderson in the defence of the libel suits Dempster was supplying Sanderson with photostatic copies of material from the files of the office at Surrey Place.

1060 Of much greater significance than that, however, is the fact that Dempster admitted in evidence that he had been employed by Sanderson on a part-time

878 basis and had received from him the weekly sum of \$30 as wages. Dempster also admitted that in accepting employment in this way he was violating one of the regulations of the police force to which he belonged, and that no one connected with the Force knew he was in Sanderson's employ. Sanderson did not agree with Dempster as to the amount of money Dempster had received from him, but he did not clearly stipulate the amount that had been paid to Dempster. Both Sanderson and Dempster claimed that the latter had been engaged in making part-time inspections for Sanderson's company, but it is clear that Dempster knew absolutely nothing about the business of exterminating vermin and other pests, and I do not accept the evidence of either man in this

198 connection. Private Hall swore that Dempster was never engaged in any work

2947 ordinarily done by Sanderson's company, and Miss Carruthers testified to the

2944 same effect. Furthermore, Miss Carruthers stated that Sanderson's employees

2972 were paid in cash, whereas cheques were issued to Dempster in the name of "Orville Ray". Dempster admitted that he had accepted cheques drawn in the name of a fictitious person and had obtained the proceeds by means of fictitious endorsements. Both Sanderson and Dempster stated that the period of employment had commenced about August, 1944, but in all the circumstances I am satisfied that the payments to Dempster started much earlier than that, and probably late in 1943 at the time that Dempster was most active in Sanderson's interest. It seems significant to me that no one was called by Mr. Sanderson's counsel to testify that he had encountered Dempster in the course of an inspection being made for Reliable Exterminators Limited, and I do not believe he was ever engaged in that capacity. I am satisfied on the evidence that Dempster was paid by Sanderson for access to the files and records of the Special Branch, and for such information from the files as Dempster gave Sanderson in connection with his attempt to establish a "tie-in" between the Communist and C.C.F. Parties. I think Dempster's secret employment largely explains his sudden interest in the C.C.F. Party and the members thereof. It was because of this factor that Dempster's reports after November, 1943, displayed a greater political tinge than hitherto, and in my opinion accounts for the existence of such reports as the following: "The C.C.F. Caucus" (Exhibit 15 (h)); "Some Aspects of the Recent Saskatchewan Election and its Possible Effect on the Impending Federal Election as it Affects the Province of Ontario" (Exhibit 102); "Liberal-Labour Coalition Government at Ottawa" (Exhibit 103); "New Political Party Organized at Detroit" (Exhibit 104); "Re Ottawa Caucus C.I.O.-C.C.F." (Exhibit 112-A); "The Case for Socialism" (Exhibit 121); the reports of some nine or ten members of the C.C.F. Party, and the card index file labelled "Political," as well as other political material.

Constable Dempster's Association with Mr. Gladstone Murray

62. Constable Rowe said that so far as he was aware Mr. Murray never was in
455 the office at 18 Surrey Place. As I have stated, his knowledge of telephone
conversations between Murray and Dempster depended upon what Dempster
told him. Undoubtedly there were telephone conversations between Murray
and Dempster, and between Murray and Sanderson, and probably a good many
2734 such conversations. Murray said he had met Dempster on May 11th, 1943,
following a meeting of The Canadian Corps Association in Toronto. Dempster
explained to him that he was engaged in anti-sabotage work, and that it was part
of his duty to know what Communists were doing. Murray said:

2735 "My interest was to learn more of the methods employed by Communists
in Canada before the party-line changed with Hitler's attack on Soviet
Russia. I told Captain Dempster about my work, explaining that I was
building a case for Enterprise and rebutting the attacks made upon it by
those whose interest it was to stimulate class-war and disunity . . . the
C.C.F. did not enter into the discussion except in respect to their relations
with the Communists which were then fluid . . . I exchanged opinions with
Captain Dempster about the existing and probable future activities of
Communists. Captain Dempster called in the same casual way three or
four times over the past two years and there were no meetings by appoint-
ment. Captain Dempster gave me no reports. He did sometimes consult
notes in connection with Communist activities, but these he retained. I
had no reports to pass on to anyone, nor did I invent any."

It is clear upon the evidence, including Rowe's testimony, that Dempster believed
that acquaintanceship with Mr. Murray was quite an asset, and he never neg-
lected an opportunity to say so. He told Rowe on one occasion that "all he
318 needed was his badge, a letter from Gladstone Murray and a list of the people
to see, to completely investigate any subject. . . ." He also told Rowe that
he had asked Mr. Murray on occasion to telephone Deputy Commissioner
305 McCready and ask for him, "in order to impress the Deputy Commissioner that
he had important contacts down town." In my opinion Dempster honestly
believed there was much he could learn from Murray which would be of assistance
to him in his work, and the evidence is as consistent with that view as with the
view that Murray sought information from Dempster. It is true that Murray
stated publicly something to the effect that Labour might apply the weapon of
the general strike in Canada following the war, and he admitted in evidence
that he believed this as the result of his own study confirmed by some reference
2768 made to it by Dempster. In my opinion a person in Dempster's position would
have been wiser not to express a view of that kind, but he did not impress me as
being a very discreet person. However, because he is not of that type is no reason
why Murray should be criticized because of Dempster's lack of discretion. It is
probably true that Dempster would have welcomed a chance to supplement his
income through his association with Murray, as he did through his association
with Sanderson, but there is nothing in the evidence to suggest that Murray
was indebted to Dempster in any way. It is abundantly clear from a perusal of
Murray's published material that he would have little, if any, use for the type
of information Dempster was gathering. That Dempster was anxious to form
connections which might enable him to augment his income is established by his
letter to Monseigneur W. Basil Markle, the English-speaking secretary of the

Canadian Hierarchy of the Roman Catholic Church with headquarters at Ottawa. Monseigneur Markle had been introduced to Dempster by Murray. Dempster's letter to Monseigneur Markle is dated September 8th, 1944, and was filed as Exhibit 185. In that letter Dempster stated:

1906 "Having discussed the matter with Major Gladstone Murray I have come to the conclusion that from time to time information regarding these elements, particularly in the Province of Ontario, comes into my possession. This information might be of some use to you or at least of some interest and I would be very pleased to offer any co-operation that I can which may be of some slight use to you in your labours."

Monseigneur Markle, as far as the record discloses, did not reply to Dempster's letter.

Other Matters Alleged to Establish Conspiracy

63. Apart altogether from anything that Constable Rowe knew, and hence gave evidence about, it was said by Mr. Jolliffe and counsel identified in the same interest that there were other matters in the evidence which went to establish the alleged conspiracy. First of all, there was the matter of secrecy, and I think in this connection I should make brief reference to the alleged secret entrance to 18 Surrey Place, to the removal of the sign "Anti-Sabotage Branch" from the office door, to the "secret" telephone installed in November, 1943, and to the use by Dempster of the designation "D-208". Exhibit 59 is an enlarged photograph of the exterior of the building at 18 Surrey Place taken at an angle which shows the door hidden by some bushes. I need hardly say more with respect to this item than that the building, door and entrance thereto, were in the same condition on May 24th, 1945, as they were when the Anti-Sabotage Branch first established its office there in 1941. The sign alluded to (Exhibit 101) had its place originally on the outer side of the inner office door. It was taken down by somebody, found later in the office by Rowe, and put back in place by him. Whether or not it was taken down again by Dempster is unnecessary to determine, but it was taken down by someone with every justification for so doing, in my opinion, because, as I have found, the Special or Anti-Sabotage Branch was abolished in June, 1943, even though Rowe appeared to be in complete ignorance of the fact up to the time of the inquiry. The exchange and number of the telephone installed in November, 1943, was: Randolph 7518. Prior to June, 1943, the telephone number had been: Randolph 5782; in each case the number was unlisted. That it should have been unlisted from the beginning is not at all surprising, in my opinion, in view of the nature of the work which was done and which continued to be done at 18 Surrey Place after July 2nd, 1943. As for the designation "D-208", Dempster said the "D" stood for the first letter in his surname, and that the figures "208" probably indicated that he was the eighth man taken on the strength of the Special Branch in 1940, when that designation was assigned to him. He said the other constables in the Branch were designated by similar numbers commencing with 201, and that the initial appearing before each constable's number corresponded to the first letter in his surname.

Constable Dempster's Alleged Promotion and the Omission of his Name and Work from Commissioner Stringer's Annual Reports

64. The annual reports of Commissioner Stringer for the calendar years 1943 and 1944 were filed as Exhibits 57 and 182. Neither report contained any refer-

ence to the Special or Anti-Sabotage Branch or a continuation of its work in
3441-those years. This was urged upon me as a clear indication that the Commis-
9 sioner sought to keep Dempster's work secret, and that he did so upon the
instructions, or at least with the approval of the Attorney-General. It was
pointed out in that connection that the Commissioner's annual reports for the
calendar years 1940, 1941 and 1942 (Exhibits 54, 55 and 56) contained references
to the Special Branch and its work. An examination of the three exhibits just
mentioned shows that the report upon the Special Branch for the year 1940 was
quite elaborate and for the following year it was almost as lengthy, but for the
year 1942 it was limited to six short paragraphs. In each instance the report
dealt with the activities of the Special Branch, naming it as such. Commissioner
Stringer explained that he had not included any reference to this Branch in
his 1943 or 1944 reports because the Branch had been abolished in 1943, and if
this were so, as I have found in paragraph 29 of this my Report, his explanation
is consistent with the facts. As for there being no reference to Dempster's work
in 1943 and 1944, the Commissioner said that this was because his "work at
2112 that time had been embraced by the Criminal Investigation Branch," and that
he was then attached to the headquarters of that Branch as a special constable
2116 under the Deputy Commissioner. There was, however, no mention in the
reports for 1943 or 1944 of Dempster's work in the Criminal Investigation Branch,
the Commissioner's explanation being that he always regarded Dempster as an
under-cover man "until his appointment as a Provincial Constable on June 7th,
1944" (Exhibit 60), and furthermore that he never reported the work of any
Special Constable "unless it was" (for) "some outstanding work in criminal
investigation. . . ." He added that from the date of his employment by the
Provincial Police in 1940 Dempster's name had not been mentioned in any
of his annual reports. An examination of the five exhibits referred to in this
paragraph establishes that this is so.

65. Commissioner Stringer accepted the responsibility for his annual reports and
their contents, and nothing in the evidence indicates that he was dictated to in
the matter by the Attorney-General or any other person. And I think it should
be observed in passing that the omission of Dempster's name and his work from
the Commissioner's annual reports does furnish at least some support for the
evidence of Mr. Drew and Mr. Blackwell wherein they said they knew nothing
of the man or his work until Mr. Jolliffe made his first radio address.

66. The fact that Dempster's name was not mentioned in the public accounts
of the province was stated to be another indication of secrecy, but it is clear that
his name never appeared in such accounts from the time of his employment with
the Provincial Police, and I do not think it necessary therefore to say anything
more about it. It is plain that in the matter of the omission of Dempster's name
from the public accounts, as from the Commissioner's annual reports, there was
in 1943 and subsequently no change in the practice followed since 1940.

67. Since something was said by Mr. Jolliffe about an alleged promotion and an
increase in salary for Dempster in 1944, I think I should make a brief reference to
these matters. The former Attorney-General, Mr. Cross, stated that when it
was decided not to accept Dempster's resignation in June, 1943, the fact that he
2390 was then reported to be "a good operator" and the fact that he was a veteran
2393 of the first world war were factors which influenced his decision. The Attorney-
General, Mr. Blackwell, explained that at the time of the reorganization of the
Force in 1944, and upon recommendations made by the various inspectors

1625 throughout the province, forty-three constables including Dempster were permanently appointed to the Force as Constables, Group I (see Order-in-Council, Exhibit 60). These constables were all veterans of the first world war, and Commissioner Stringer intimated that in their case it had been decided to waive the age qualification for admission to the Force. Dempster had been receiving \$125 per month as a special constable, but after the re-organization and his appointment as a permanent constable he received \$133.33 per month, which was the minimum amount payable to permanent constables under police regulations in force at that time.

**The Prime Minister, the Attorney-General, Mr. Sanderson
and Mr. Gladstone Murray**

68. Mr. Drew admitted knowing Mr. Murray and Mr. Sanderson. He said he met the former in the year 1933 at an Empire Club luncheon in Toronto, at
2335 which Mr. Murray had been the speaker. He stated that he saw him again in England in 1941 at BBC House. He said he had no other social contacts or business dealings with him and no correspondence that he could recall. He admitted that he received some of Mr. Murray's booklets or tracts during the
2336 course of the inquiry, but he said he had received no reports from him on the activities of the Communist or C.C.F. Parties. He denied in particular that he had communicated with him by telephone or otherwise in connection with any of the matters mentioned by Mr. Jolliffe in his speeches. Mr. Murray said that on one occasion he had seen the Prime Minister at the Parliament Buildings, at which time he had told him about the nature of his work in the same way
2339 as he had told Mr. Hepburn, a former prime minister, and others. He also said he had conferences with Mr. Drew and Mr. Hepburn together "in connection with experiments in political broadcasting." Mr. Drew said that he and Mr. Sanderson were veterans of the first world war, and that both belonged to the same branch of the Canadian Corps Association in Toronto, where he had
2331 met Sanderson some years ago. He said he had seen him there and elsewhere from time to time since, and on one occasion engaged his "professional services" as an exterminator. He stated he could recall no telephone conversation with
2344 Sanderson in recent years, and no correspondence. He stated that he was aware of the fact that Sanderson had been unsuccessful in seeking nomination as the official Conservative candidate in the Beaches Riding in Toronto. He denied
2349 any knowledge of Sanderson's advertisements other than what he had read in the press, and said he knew nothing about who paid the expense in connection with their publication, or who paid the costs of Sanderson's libel suits.

69. Mr. Blackwell also admitted knowing Mr. Murray and Mr. Sanderson. He said he met the latter after the provincial election in 1943 at the Conservative Progress Club, but he said later that he made his acquaintance at the Albany Club before the election, when he had attempted to dissuade Sanderson from running as an Independent Conservative candidate in the Beaches Riding.
1663 He also recalled that Sanderson had attended the Conservative Convention in Winnipeg, at which gathering he himself had been present. He added:

"At none of these times on which I saw him or spoke to him was any reference made in any way to the subject matter of this inquiry."

On one occasion, he said, he had been invited by Mr. Murray to lunch with him;

that Murray had telephoned his invitation; and that that telephone conversation was the only one with Murray that he could recall. He had accepted the invitation and had lunched with Murray at the University Club, and there the discussion had principally dealt with the ravages of the bud-worm. He denied that
1663 he had discussed with Murray the Provincial Police Force or Constable Dempster, then or at any other time. He said he had seen him once or twice since their luncheon, when Murray had been speaking in public.

The C. W. Peppin Incident

70. Constable Dempster referred to a short report he had written on Mr. Peppin. It was dated April 17th, 1945, and was filed as Exhibit 172 (9). He said he had made the investigation described in this report upon the instructions of Chief
2435 Inspector Ward of the Criminal Investigation Branch. He stated that the Chief Inspector had called him over from 18 Surrey Place to the Parliament Buildings and had given him the man's name and told him "to find out all he possibly
2436 could about him; if he was receiving money from any source; if he was a member of any political party or labour union." He said he had interviewed a friend of Mr. Peppin's who, the evidence revealed, was Mr. George Curlew, and made
2438 the report a couple of days after he received his instructions. He had not learned
2437 anything to Mr. Peppin's discredit, and so far as he could ascertain, Peppin did not belong to any labour union or political party. Mr. Peppin testified to
3039 the effect that he had been injured in 1941, and he was not satisfied with the settlement he received in 1944 from the Workmen's Compensation Board. He
3037 said he had written letters to various Ministers of the Crown, including the Prime Minister, and he had had his complaint brought up on the floor of the House. He wrote Mr. Drew on April 5th, 1945, and received a reply from Mr. E. J. Young, Mr. Drew's Executive Secretary, dated April 10th, 1945 (Exhibit 262) in which he was advised that his letter would "be placed before the Prime Minister at an early date." He wrote the Prime Minister again on April 28th, 1945 (Exhibit 235) protesting over being investigated by "an under-cover man" for the Ontario Provincial Police "who has a government office in Surrey Place." He said he received no reply to that letter, and again wrote the Prime Minister on May 18th, 1945 (Exhibit 236) with the same result. The last letter he sent to the Prime Minister's home address.

71. Mr. George Curlew was the foreman for Mr. Sanderson's company, and he admitted that it was he who gave Dempster the information concerning Mr.
3029 Peppin. He said that afterwards Dempster had communicated with him, and added:

3030 "Well, he"—Dempster—"simply told me there was a letter went to the Prime Minister's office, and he indicated—well, he didn't say so, didn't say as much, but I judged he thought that I had went and told Peppin what he told me, which I did not."

Mr. Drew denied that he had seen Mr. Peppin's letter of April 28th (Exhibit 235), and as to the letter of May 18th (Exhibit 236) he said he could not say whether it reached him or not, since he received a great many "crank" letters. He further said, concerning Exhibit 235:

2369 "I want to explain in respect of the rather obscure use to which some of

these things have been put, that this man, Peppin, has been pressing me on other matters through a flood of extremely irrational communications for consideration, and in spite of that I directed the attention of the Workmen's Compensation Board to his case and urged that his case be given complete consideration, and that is all I know about it."

72. I have been asked to find on this evidence that Mr. Drew read Peppin's letter (Exhibit 235) and that he thereby became aware of the existence of and the activities of the under-cover man working with the Provincial Police in the office at 18 Surrey Place. But there was no complaint in Peppin's letter about the manner in which this under-cover man carried on his work, e.g., that he had been investigating people for political reasons and had been trying to establish for a third party's benefit that there was a "tie-in" between the Communist and C.C.F. Parties. Peppin's sole complaint was that someone had seen fit to instruct this under-cover man to investigate him. As has been stated, Mr. Drew professed to know nothing about any alleged improper activities on Dempster's part until Mr. Jolliffe so charged in his radio address on May 24th, 1945, and it is clear, for reasons stated, that if he had read Peppin's said letter he would have been unable by inquiry to learn more than that the under-cover man used by the Provincial Police was Dempster; that Dempster had his office at 18 Surrey Place; that Dempster was engaged in anti-subversive work; and that Dempster had investigated Peppin on Inspector Ward's instructions. He would not have suspected, from anything the letter contained, that Dempster was engaged in other than proper anti-subversive activities. He might also have learned who asked the Provincial Police to investigate Peppin. He said he had made no such request, and he agreed that it was obvious that the police
2367 should not have been used to investigate him.

73. It is plain that any connection Mr. Drew might have had with the happenings which I have called "The Peppin Incident" would depend entirely upon his knowledge of the contents of the letter (Exhibit 235). If he did not see that letter then, of course, he could not have issued the instructions which resulted in Mr. Peppin being investigated. No one swore that this letter had been brought to Mr. Drew's personal attention, and Mr. Jolliffe was fair enough to say in his argument:

3431 "Colonel Drew says he has no recollection of seeing that letter, and of course it is easily understood that many letters do not actually reach him; but if ever there was a letter which would put the Premier's office on notice that there was something wrong, there is the letter."

In these circumstances, and in view of Mr. Drew's categorical denial that the letter in question ever was brought to his attention, I am satisfied that he never read the letter, and I so find.

My Conclusions upon Mr. Jolliffe's Charges

74. (1) I am satisfied upon all the evidence that after taking office on August 17th, 1943, the Prime Minister of Ontario, the Honourable George A. Drew, K.C., and his Government, did not establish a secret police office at 18 Surrey Place as Mr. Jolliffe charged in his first radio address. On the contrary, the work of the old Special or Anti-Sabotage Branch of the Ontario Provincial Police

Force which had been established in 1939 or 1940 by the government of that day was continued in the said office without interruption by Constable Dempster upon the authority of the Commissioner of the Force, who assumed with justification that he had been authorized to do so in June, 1943, by the Attorney-General, the Honourable Mr. Cross, as he then was. I am of the opinion that the continuation of Dempster's work was never brought to the attention of the present Attorney-General, Mr. Blackwell, and that such increased facilities for the performance of this work as were provided in November, 1943, were authorized by Commissioner Stringer in the exercise of what he honestly considered to be his jurisdiction.

(2) I am also satisfied that the Special or Anti-Sabotage Branch was abolished in June, 1943, and that Constable Dempster continued his work thereafter in the office at Surrey Place as a special constable, and later as a permanent constable attached to the Criminal Investigation Branch of the Force. The person in charge of the office at Surrey Place was Deputy Commissioner McCready, who was directly responsible to the Commissioner, and I am of the opinion that Constable Dempster was never placed in charge of that office in the sense that he reported directly to the Commissioner much less to Mr. Drew or Mr. Blackwell, as Mr. Jolliffe charged.

(3) There is nothing in the evidence that directly connects Mr. Drew even remotely with Constable Dempster or the work he carried on at 18 Surrey Place other than the Peppin incident with which I have dealt in paragraphs 70 to 73 hereof, and likewise nothing other than the receipt of some forty-one of Dempster's reports that might serve to show that Mr. Blackwell knew of his identity or the nature of his work. For reasons stated I am convinced that Mr. Drew knew nothing about these matters, and that Mr. Blackwell dismissed the reports as of no importance. However, as I have stated in paragraph 52 hereof, I believe that Mr. Blackwell should have found time to discuss the reports with Commissioner Stringer before dismissing them as of no interest to him.

(4) In paragraph 16 hereof I concluded that Dempster did not wilfully gather false and misleading information with respect to any person. However, in view of certain passages to be found in Mr. Jolliffe's first radio address I think I should add that in my opinion the evidence contains nothing to warrant the App. assertions made by him that Dempster "tried to intrude into the private lives
"A" of Ontario citizens . . . in the best traditions of the German and Italian models"
pp. or that "because of Drew's intense hatred of all labour organizations, Drew
50-1 made Dempster try and collect material on all he could get hold of. Naturally he tried to brand all of them as Communists." Although Dempster told Rowe that he held a union card, I am satisfied that he did not do so at the time, and that he never spied upon the activities of any labour union or organization as such, or rifled union offices or took documents therefrom. On one occasion on returning from Hamilton Dempster told Rowe that he had obtained certain material from a "labour spy" but in my view this is only one more example of Dempster's gift for romancing. I am satisfied that except for his unwarranted activities with respect to the C.C.F. Party, Dempster honestly tried to perform his work to the best of his ability within the rather limited scope of his training as an anti-subversive agent. In my opinion, it was at best unpleasant and difficult work, as is implied by Commissioner Stringer in his first report on the Special Branch, which I have quoted in part in paragraph 17 hereof. It is clear that Dempster did not confine himself to the activities of the C.C.F. Party

between February 2nd, 1944, and April 17th, 1945, as is established by Appendix "B" hereto, which is a list of the subject headings of the material dictated by Dempster to Mrs. Freeman, and it may be interesting to notice from a perusal of Appendix "C" hereto, which is a list of the subject headings of the contents of a file labelled "Electoral Correspondence—C.C.F." (Exhibit 199), that the C.C.F. Party was of some interest to the Special Branch as early as 1941.

(5) I have held as established by the evidence that Constable Dempster collaborated with Mr. Sanderson in the preparation of the latter's advertisement of December 31st, 1943, and January 1st, 1944, and that he gave him certain secret and confidential information from the files at Surrey Place as well as some other material for use in Sanderson's defence of the libel actions. I have also found as a fact that Mr. Suydam received from Dempster a document typed by him at Surrey Place which was intended to be used as a means of embarrassing Mr. Jolliffe at the Aurora meeting. Dempster's actions in these respects were highly improper and inexcusable, but in my opinion there is not a jot of evidence to indicate that they were openly or tacitly authorized by Mr. Drew or any member of his Cabinet, or that Mr. Drew or any of his Ministers knew of the association between Dempster and Sanderson, or of Dempster's acquaintance-ship with Mr. Murray and Mr. Suydam. I am therefore unable to conclude on App. the evidence that the Drew Government allowed Dempster "to work hand in "A" glove with the propagandists of big business" who were said by Mr. Jolliffe p. 52 to be Murray and Sanderson especially.

(6) Some law was cited to me by Mr. Brewin of counsel for Mr. Jolliffe upon the subject of conspiracy, and it was said that I should apply it in coming App. to a conclusion that there was in fact a conspiracy between, I presume, "Drew, "A" Osborne-Dempster, Gladstone Murray, Sanderson and George McCullagh," p. 53 the persons mentioned in Mr. Jolliffe's said radio address. Mr. Brewin stated that he was not asking me to find that an illegal conspiracy, which is a crime, had been committed, because I could not do so, sitting as your Commissioner; but he said I might consider the law applicable to an illegal conspiracy by way of 3229 analogy. He reminded me that such a conspiracy may consist "of an unlawful combination to carry out an object not in itself unlawful by an unlawful means." 3230 He said "the common design or purpose . . . here was the defeat and the discomfiture of a legal political party . . ." He stated that "that is a perfectly legal, indeed in the eyes of a great many people, a laudable objective." It was, he said, "when we come to consider the means which were employed for that purpose that we find illegality and impropriety creeping in to achieve that purpose." The alleged means adopted here, he argued, were, first, "to pervert . . . a member or members of the Ontario Provincial Police"; second, "to use secret and con- 3231 fidential material gathered during the legitimate activities of the Anti-Sabotage Branch . . . for the purpose of handing this material out to propagandists against the C.C.F. and other opposition elements"; and, third, "to fabricate and distort reports, to manufacture lying and defamatory propaganda which would be used . . ." for the same purpose. He went on to point out that such actions would constitute illegal activities which even the Legislature could not sanction. I find myself in agreement with Mr. Brewin's statements with respect to the law applicable in a case of illegal conspiracy, and I would apply the analogy he mentioned if there were anything in the evidence to warrant my so doing. There can be no doubt but that all the persons named by Mr. Jolliffe were anxious to see the C.C.F. Party relegated to some political limbo—some perhaps more than others—but there in my view the matter stops. Upon the various conclu-

sions I have reached Mr. Drew, Mr. Murray and Mr. McCullagh could not possibly have had anything to do with seeking the defeat or discomfiture of the C.C.F. Party or other opposition elements by the employment of any of the means mentioned by Mr. Brewin, or by any other means so far as the evidence goes. If therefore Mr. Jolliffe meant to charge, as Mr. Brewin seemed to urge, that all five persons named by Mr. Jolliffe conspired together to effect a lawful purpose by the unlawful means suggested, I must conclude, as I do, that the charge utterly fails for lack of proof.

(7) Mr. Jolliffe argued that I should take into consideration the principle of constitutional law known as Cabinet or Ministerial responsibility, but this I could only do were I sitting in impeachment proceedings or in a court of law. As your Commissioner, my duty, as I conceive it, is limited to finding such facts as are within the terms of my Commission and stating my conclusions with respect thereto. I have read and re-read a number of times the charges contained in the speeches and addresses with which, as your Commissioner I am concerned, but nowhere can I find that Mr. Jolliffe told the electors of this province that he relied upon the principle of Cabinet or Ministerial responsibility. In my opinion his charges were specific and were with respect to deliberate and wilful acts of wrongdoing on the part of Mr. Drew and his Government, and as I have stated, I have concluded that there were no such deliberate and wilful acts of wrongdoing. I should perhaps observe, however, that by virtue of the same principle of Ministerial responsibility Mr. Drew and his Cabinet are responsible for such fault or omission, if any, as may have come to light during the course of the inquiry, and that their responsibility is to the members of the Legislative Assembly and to the electors of this province who may or may not place reliance upon my findings and conclusions herein.

PART II

Concerning the Activities, Conduct, Breach of Duty or Breach of Oath of Office of any Member or ex-Member of the Ontario Provincial Police

75. I now pass to the second matter referred to me for examination. It will be observed that I am concerned only with the activities, etc., on the part of the members of the Force as arise out of Mr. Jolliffe's charges, and these refer, of course, to the operation of the office at 18 Surrey Place on and after August 17th, 1943. The only persons thus affected, in my opinion, are Mr. William H. Stringer, the Commissioner of the Force, Mr. Herbert McCready, his Deputy Commissioner, Constable Dempster and Constable Rowe; and I have, I think, pretty well covered the facts as they pertain to these four persons, so that it should not be necessary for me to say very much about them here.

76. Referring, first, to Mr. Stringer, I do not find that his conduct is open to much, if any, criticism. As I stated, I believe he was justified in assuming that he was authorized by the then Attorney-General, Mr. Cross, to carry on the anti-subversive work of the Force after Dempster returned from his vacation on July 2nd, 1943. Following the Order of the then Attorney-General, Mr. Conant, the Special Branch was placed under the direct supervision of Deputy Commissioner McCready, who was also in direct charge of the Criminal Investigation Branch. I believe that in relying upon the judgment and experience of Mr. McCready for the due administration of the office at Surrey Place, Commissioner Stringer followed good executive practice, and that he was justified in providing Dempster with increased facilities for the performance of his work when Mr. 2039 McCready informed him that this work was getting too heavy. I do think, however, that Mr. Stringer should have mentioned Dempster to Mr. Blackwell after the latter became Attorney-General of this Province, and should have explained the nature of the work in which Dempster was engaged.

77. With reference to Mr. McCready, I am of the opinion that since he did not place an inspector or other senior officer over Dempster after Inspector Hammond was transferred from the Special Branch in June, 1943, he should have himself actively supervised Dempster's work. This he does not appear to have done, or at least done adequately. After Inspector Hammond had on May 17th, 1943 (Exhibit 144) sent Mr. McCready his rather glowing report on Dempster's work, the Inspector said he changed his mind about it for reasons which he gave in evidence, and indicated that he had informed Mr. McCready on one occasion that he had come to the conclusion that Dempster was a political spy. It is 1334 interesting to note here that Inspector Hammond swore that Dempster told him he could go direct to Mr. Hepburn or Mr. Conant over the head of the Commissioner. Evidently he claimed the same influence with the Prime Minister and the Attorney-General of that day as he later claimed with respect to Mr. Drew and Mr. Blackwell. Inspector Hammond also said that he informed Mr. McCready of other matters which went to show that Dempster had been 'guilty of deception and disobedience. Mr. McCready denied that Inspector Hammond had informed him that in his opinion Dempster was a political spy, but he did admit that Inspector Hammond had mentioned some things which were not to

Dempster's credit. One of these incidents he said he and Inspector Hammond had decided to overlook, and he had satisfied himself by questioning Dempster as to another. Whichever version is correct, I am satisfied that Inspector Hammond told Mr. McCready enough to have caused him to exercise a greater degree of supervision over Dempster than he appears to have done. In the result I am of the opinion that the fact that Mr. Sanderson obtained from the files at 18 Surrey Place material for his advertisements, and that Dempster went off on a tangent with respect to the C.C.F. Party, were due to lack of proper supervision by Mr. McCready personally, or by an inspector or other senior officer whom Mr. McCready should have put in charge after June, 1943, in the event that he himself had not time for proper supervision of the office.

78. With reference to Constable Rowe, I am of the opinion that upon the facts as he knew or thought he knew them, his action in ignoring his superiors and going to Miss Macphail and subsequently to Mr. Jolliffe was most improper. Whether or not in other circumstances he might have followed the course he did is beside the point. He should have gone to Mr. McCready and told him what he knew. If he did not want to do that, he should have sought independent legal advice, and if he objected in conscience to the performance of the work assigned to him he could have resigned. In my view there is absolutely no reason other than his gullibility to explain his conduct. That Rowe possesses the crusading spirit in abundance and acted from what he conceived to be the highest motives, I have no doubt; but neither his spirit nor his motives can be advanced on his behalf except by way of extenuation. It was urged upon me by his counsel, Mr. Cartwright, that Rowe acted in good faith and in the honest belief that his superiors were corrupt, but I am convinced that that affords him no justification in the circumstances. To hold to the contrary is to subscribe to the view that a police constable, whose duty is very properly considered to be on a much higher plane than that of an ordinary servant, may serve two masters at the same time. In my opinion, no police organization, or for that matter any other organization, could function on such an unsound basis. I have always regarded the loyalty of a police officer to his superiors and the respect he should have for constituted authority to be identical with that of a soldier, for each is in the service of His Majesty, and each is sworn to secrecy by the very nature of his service. Recently I happened to chance upon an utterance ascribed to General Mason-Macfarlane, one of the notable new members of the present Labour administration in Great Britain, which I think is apt as it relates to the duty of a soldier or a constable, although in quoting it I do not mean to imply that Rowe intended, when he went to Miss Macphail and Mr. Jolliffe in 1943, that what he reported to them should become the political issue it did in 1945. The General is reported to have said:

" . . . I'd never contemplated taking up active politics. But as soon as I realized that I was finished as a soldier, I was determined to go into politics as actively as I could. I've never believed in the serving soldier in politics, because a soldier is the servant of the government whether ultra right or ultra left, concerned only in carrying out its commands."

If the General's view is as quoted, it is my own view. In my opinion Rowe was not entitled to show Mr. Jolliffe and others secret and confidential documents from the files of Surrey Place, any more than Dempster was entitled to do so in Sanderson's case. Moreover, his conduct in handing out documents from the said files, which documents were subsequently lost, was reprehensible and inexcusable. Rowe admitted that he was familiar with the police regulation which forbade

440 him without authority to show to "any person outside the Force any book or
written or printed paper, document or report, the property of the Force." When
the oath to which he had subscribed on being sworn in as a member of the Force
was called to his attention Rowe said that if he believed those responsible for the
enforcement of police regulations were themselves in any way "connected with
445 a conspiracy" then his allegiance immediately shifted against those who had
violated their oath. No doubt he had reference to the clause in the oath, in
which he swore that he would defend His Majesty to the utmost of his power
"against all traitorous conspiracies . . ." Comment seems unnecessary, but
apparently it did not occur to Rowe that the defence of His Majesty is first
effected by loyalty to those whom His Majesty has seen fit to place in authority
over him. As in the case of Constable Dempster, I purposely refrain from saying
anything about Rowe's conduct with relation to the Official Secrets Act. In
justice to Rowe, however, I think it should be said that while undoubtedly gullible,
for which he would not be to blame, and sometimes confused in his evidence,
he impressed me as being sincere and honest.

79. With respect to Constable Dempster, I have already indicated that I consider his actions in connection with the Sanderson advertisement and with the Aurora incident to be highly improper and inexcusable. I also think that the false statements he made to Constable Rowe were largely, if not altogether, the cause of Rowe's disaffection. That he was also guilty of serious breaches of the police regulations and the oath mentioned in the preceding paragraph hereof is also clear, and a further breach of those regulations in that while on the strength of the Force he accepted employment from Sanderson, even though its nature was not such as he was disposed to have me believe. In the result I am of the opinion that Constable Dempster's actions in the circumstances I have indicated App. deserve unqualified condemnation. In fairness to him, however, I should add "A" that nothing was disclosed in the evidence to support the assertion made by p. 50 Mr. Jolliffe that Dempster's background was "untrustworthy and sordid . . ." App. or that he possessed a "twisted evil mind . . ." On the contrary, his military "A" record is enviable, and so far as the evidence discloses his character has been p. 51 clean.

PART III

Concerning the Manner in which Mr. Jolliffe came into Possession of and his Use of Secret Documents of the Criminal Investigation Branch

80. Mr. Jolliffe said he had never stated publicly that the documents which came into his possession from the office in Surrey Place were, in the words of my Commission, "secret documents of the Criminal Investigation Branch of the Ontario Provincial Police Force," and I so find. However, he did admit seeing
Ibid. certain material from the files of the said office, and it was established that from
14 the outset that office was administered by the Criminal Investigation Branch. At the inquiry Mr. Jolliffe produced whatever documents he then had, and the same were filed as exhibits. He also admitted that he had been shown documents by Constable Rowe, and that others not connected with the Force had seen them. Unfortunately some documents were lost and were not available at the time of the inquiry. Apparently they were original cards, a photostatic copy of one of which, dealing with the Canadian Jewish-Gentile Congress, was filed as part of Exhibit 68. Rowe said there were three or four original cards which he had given to Mr. Brewin, including the original card which had been photostated. Mr. Brewin was unable to account for the cards. He said he did not recall seeing
824 them, and he thought Constable Rowe was mistaken. They must have been thought significant by Rowe, or he would not have removed them from the files.
629 In my opinion their loss was most unfortunate. In all probability their production would not have affected the final result of the inquiry, but it is difficult to condone the manner in which they were handled. Obviously Rowe's productions were used by Mr. Jolliffe as the basis of his charges. It was also established in evidence that certain of Dempster's daily reports from March 31st, 1943, until November, 1943, were missing. These could not be located, and Mr. Magone, counsel for the Ontario Provincial Police Force, said he thought that they had been lost or mislaid. In my opinion, these could not have affected the result of the inquiry since a great number of such reports were filed as exhibits. They are purely routine reports which give no information as to Dempster's actual activities, and it may well be that Dempster made no daily reports during the period mentioned. In my opinion it is impossible to say.

Observations on the Conduct of the Inquiry

81. Ordinarily it would not be necessary to refer to the conduct of the inquiry, were it not for the fact that objection was voiced on more than one occasion by counsel for Mr. Jolliffe and similar interests to Mr. Sedgwick's dual position as Counsel for the Government and Counsel to the Commission. I am aware that this practice has been in existence for many years, but it would seem to me that there is considerable force in the objection, particularly where the conduct of the Government is in question and where it could be argued that the appointee of the Government had evidenced bias in its favour and perhaps withheld facts relevant to the inquiry. However, I said in paragraph 4 herein, and at the risk of appearing repetitious I might say again, that so far as I am aware everyone who

it was thought might be able to throw light on the subject of the inquiry gave testimony, and all available documents in any way relevant and material to the subject matters of the inquiry with the exception of the documents mentioned in the next preceding paragraph were presented to me, and counsel did not express dissatisfaction in either respect. It is clear that a government must be represented by counsel in order that its position may be properly presented. In the result, as I see it, when counsel acts impartially in the dual capacity mentioned, the only one inconvenienced is the Commissioner because he is thereby deprived of the assistance of counsel in digesting the evidence and exhibits during the progress of the inquiry.

82. Having regard to the fact that Mr. Jolliffe appeared before me not only in his capacity as counsel, but also as a witness, which in my opinion presents certain difficulties, I think I should say that regardless of my conclusions with respect to his charges he impressed me throughout the inquiry as being frank, sincere and courteous. In concluding his argument on the last day Mr. Jolliffe said:

3919 "I hope and trust, Mr. Commissioner, that whatever your findings may be the end result of this Inquiry will be an improvement in the standards of service on the part of the Ontario Provincial Police Force and all those who serve the people of Ontario."

October 9th, 1945.

A. M. LEBEL,
Commissioner.

APPENDIX "A"

(Copy of Exhibit 1)

TEXT OF SPEECH BY E. B. JOLLIFFE, ONTARIO C.C.F. LEADER, OVER
CBC NETWORK MAY 24TH, 1945, 8.00 TO 8.30 P.M.

To-night, I want to tell you about what is probably the most infamous story in the history of Ontario; infamous, and I warn you, almost unbelievable, but every word of it true, and supported with affidavits which I have beside me right now!

It is my duty to tell you that Col. Drew is maintaining in Ontario, at this very minute, a secret political police, a paid government spy organization, a Gestapo to try and collect, by secret spying, material that Col. Drew wants to use to try and keep himself in power. And Col. Drew maintains his secret political police at the expense of the taxpayers of Ontario—paid out of Public Funds.

I make this very grave charge with a full knowledge of my solemn responsibility as the Leader of His Majesty's Loyal Opposition in Ontario, and I'm sure you will understand that it would be quite impossible for me to make such an exceedingly serious accusation without full proof, and facts! hard incontrovertible facts! I'll give them to you in just one moment, but before I do that, I'd like to make it quite clear what Col. Drew's Gestapo means.

In the first place, a Gestapo, a secret political police, is not the kind of political device we expect in a democracy; but it is the one political trick that is absolutely essential in a dictatorship! It is the way a dictatorship maintains itself in power against the will of the people; that's what they had in Germany and Italy, and that's what Col. Drew is right this very minute running in our own province of Ontario!

Now all through this election campaign, you've been hearing that the real issue is freedom versus dictatorship; that there is a danger, right here at home, of regimentation and dictatorship. And I quite agree; there certainly is a very grave danger; and when you've heard all the facts, true facts, supported by affidavits, about Col. Drew's Ontario Gestapo . . . well, I'll let you decide for yourselves where the danger of dictatorship is coming from!

Now, let me tell you exactly what's going on; and let me say once more, I am making this serious charge on my full responsibility as Leader of the Loyal Opposition in Ontario.

The Drew Government took office on August 17th, 1943. A few weeks later that Drew Government secretly established their secret police office on the second floor of the old police garage at 18 Surrey Place, just off Queen's Park, in Toronto. The ground floor of this building is now used by the Highways Department as a paint shop. The only entrance to the secret office on the second floor is from a back yard, which is pretty well hidden from the street. The civil servants are not supposed to know this secret office even exists; and, in fact,

very few of them do know about it. Most of the regular constables of the provincial police know nothing about it.

The Drew Government put in charge of this secret spy office a man who's calling himself Capt. William J. Osborne-Dempster just at the moment. Of course, he's known by other names as well. I know a good deal about this fellow's record as a spy, but I don't need to bother you with it right now. It's the usual sort of spy background: untrustworthy and sordid.

Besides an office, Osborne-Dempster, of course, needed money, and Col. Drew gave him the money. Drew actually gave this spy taxpayers' money to carry out his spying against the Ontario Opposition: not only the C.C.F., mind you, all opposition. I need hardly tell you this money was never authorized by the Legislature.

Now Drew's secret police was ready to go into action. Osborne-Dempster had already been doing third-rate spying of one kind and another; he had already collected masses of files and card indexes containing a lot of lies about various citizens of Ontario; sixteen thousand of them, to be exact! That means that one person in one hundred and seventy-five of the entire adult population of Ontario is listed there in Drew's secret police office!

Every so often, Osborne-Dempster made reports to his superiors. It sounds completely fantastic, but his written reports were always signed by a number, in the best spy tradition. As a matter of fact, the number was D. 208. These reports were made quite often to the Commissioner and to the Deputy Commissioner of the Provincial Police, and occasionally direct to the Attorney-General, Leslie Blackwell, or direct to Premier Drew himself! When these great democrats wanted information about the internal business of the official opposition, they instructed their secret police, headed by Osborne-Dempster, to get it for them!

For example, when the Attorney-General wanted to see a draft of a C.C.F. Labour Relations Act for Ontario, which was being discussed by the Opposition caucus, he asked Osborne-Dempster to get a copy; which he did, though what he got hold of was an out-of-date preliminary draft. Now if the Attorney-General had called me up, and asked me for a copy, I'd have been glad to give him an up-to-date draft; because there was nothing secret or mysterious about it. But the Drew Government preferred to use the accepted methods of the Gestapo, and asked the head of the secret police to snatch one!

Here's another example. On November 28th, 1943, Osborne-Dempster reported on a caucus meeting of the C.C.F. members of the Ontario Legislature. He claimed to know just what had taken place at this meeting which is attended by members of the Legislature only. It is a very misleading report. I have it here before me. Like most spies, Osborne-Dempster pretended to know more than he did know, and kept trying to build up the importance of his job by using his own imagination to fill in the gaps in his knowledge.

Not only did Drew's Gestapo spy on the Opposition's business, but it also tried to intrude into the private lives of Ontario citizens; again in the best tradition of the German and Italian models. I ask you to note this carefully; it is

very important. Drew's secret police did not only spy on the C.C.F. members of the Legislature, the elected representatives of the people of Ontario. These files of his also contain a great mass of half truths, misinformation and deliberate lies about a large number of ordinary Ontario citizens. Many of these people have no connection whatever with the C.C.F. or any other political party. Their only offence is that their names have come to the attention of Drew's secret police; when they contributed to the support of some strikers or some unemployed organization, or even just wrote a letter to the papers! In short, because of Drew's intense hatred of all labour organizations, Drew made Dempster try and collect material on all he could get hold of. Naturally, he tried to brand all of them as Communists. And please notice this carefully: Drew's black list of suspects doesn't just include labour leaders. It includes ministers of the gospel, teachers, professors, business men and housewives. You will notice that nobody is safe from suspicion by the twisted evil mind of Drew's professional spy.

And, of course, labour unions were not left out of the Drew-Dempster spy activity. Union offices were rifled, documents taken and photostatic copies made. Spies were sent to union meetings. Blacklists of people of whom the Gestapo disapproved were prepared and Big Business was given the opportunity of checking their employees against them.

Now, Osborne-Dempster's organization is known to the few who knew about it at the Parliament Buildings as the "Special Branch." But you won't find anything about the "Special Branch" in the public accounts of Ontario for the year ending March 31st.

The names of provincial employees and their salaries are supposed to appear in the public accounts. Under the Attorney-General's Department you won't find the name of William Osborne-Dempster, head of Drew's secret police, and you won't find his salary listed either, though he is employed by the Drew Government for months before the end of the fiscal year. His name was deliberately withheld from the elected representatives of the people; a contemptible effort to deceive them; and to deceive you! But by Order-in-Council dated June 8th, 1944, he received a promotion and his name later appeared in Provincial Police orders. Somebody blundered!

And notice this also: Drew's spying was directed towards all opposition! Since the C.C.F. is the only real opposition to Drew, in the last Legislature, the C.C.F. held 32 seats against Drew's 38, since the C.C.F. is the only real opposition to Drew, naturally the C.C.F. came in for most attention, but Drew's Gestapo also had stuff on Mr. Mitchell Hepburn, and Mr. David Croll, who are Liberals. It is quite clear that this secret police is deliberately designed by Drew to spy on all opposition to his government, and thus to try and keep himself in power. This use of a secret police is exactly the use of the German and Italian secret police forces under a dictatorship!

I have given you a bare outline of Osborne-Dempster's infamous behaviour under Drew's authority, because I am limited by time, and I wish to explain how I have found out about the Drew Government's official Gestapo and its activities during the last nineteen months. I'll come to that in just a minute, but before I do that, I feel that this news is so grave and so important that I

should carefully repeat my accusation for the benefit of anybody who may have tuned in late.

I am telling the people of Ontario about Col. Drew's secret political police, the secret Gestapo which is being used to try and keep Drew in power, and which is being paid for out of public funds. This incredibly serious charge is fully supported with affidavits and I make the accusation with the full consciousness of my great responsibility as the Leader of His Majesty's Loyal Opposition in Ontario.

No doubt you will be interested to hear just what sort of lies the Drew Gestapo has collected. I've read a lot of his reports on C.C.F. members in the House. Mr. Arthur Williams of Oshawa, Mr. William Dennison of Toronto, St. David, Mr. Fred Warred of Hamilton-Wentworth, Mr. William Robertson of Wentworth, Miss Agnes Macphail of York East, and dozens of others. I've even read some pretty funny stuff on myself. I need hardly say that nothing discreditable was at any time uncovered about any of these people. The scheme has been a complete failure; it is the infamous fascist principle of the thing that is so appalling. Sometimes, Osborne-Dempster went out of town to do the Drew Government's secret spying. One little trip was up to the head of the lakes to try and collect something on Garfield Anderson, the popular mayor of Fort William. This junket cost just under two hundred dollars. I'm sure the citizens of Fort William will be interested to know that the Drew Government has been spending their taxes on having the Ontario Gestapo spy on their mayor.

Incidentally, Osborne-Dempster holds a Union card, so that he can attend labour meetings when he feels like it. I know that Labour organizations will be very interested to hear that the Drew Government has been maintaining a Labour spy system on provincial money.

Now you will see that this man's reports were so unreliable and so full of misleading information that even the Drew Government must have suspected them. They didn't have the courage to use their rubbish themselves. They knew they would be very swiftly put in their place if they did. What they did do was this: they allowed Osborne-Dempster to work hand-in-glove with the propagandists of big business who have been trying to work a smear campaign against the C.C.F. for the last two or three years. In fact, the Drew Government has been using the taxpayers' money to try and smear the official opposition; to try and maintain themselves in power, and this smear has been perpetrated through the agency of Drew's official secret police. The story is so infamous, and so grossly violates the principles of democracy that you will understand I do not make such a damning charge without the fullest proof; and as I have said, I am giving you hard incontrovertible facts, supported by affidavits.

Let me point out the chain quite clearly; it starts with taxpayers' money, with your money. The Drew Government used your money to set up an official Drew Government Gestapo, headed by Captain William J. Osborne-Dempster, he is calling himself at present. This secret spy service tried to ferret out discreditable information about ordinary citizens who seemed to be opposed to the Drew Government; sixteen thousand of them! All the Gestapo collected were a lot of rumours; rumours which were handed on to the paid propagandists of Big Business, especially Gladstone Murray and Sanderson, the Bug Man.

These men used the Drew Gestapo rumours to form the basis of advertising in the interests of Big Business against the C.C.F. Some of these rumours were declared libellous by the courts. In short, we are seeing in Ontario the incredible spectacle of Fascist police methods being worked out before our very eyes. Taxpayers' money is being used by the government in power, the Drew Government, to utter libels against the opposition, libels designed to keep the government in power.

Just a word about Gladstone Murray and Sanderson. Both of them have been shown to have a clear connection with the secret police office. Sometimes Gladstone Murray would call the Deputy Commissioner of Provincial Police and ask Osborne-Dempster to call him; sometimes Gladstone Murray would telephone direct to the special branch office. By the way, the 'phone number is Randolph 7518. That 'phone number was supposed to be secret, like all the rest of this unbelievably sordid business. I'm afraid it's not a secret any more.

Incidentally, Osborne-Dempster once made the boast that if the existence of the Special Branch were discovered, he had a device whereby he could go away and blow up the offices by putting in a call to Randolph 7518. I doubt his boast, but I advise him not to destroy any of the property of the Crown. The consequences could be serious.

I expect, too, you remember that series of advertisements which Sanderson the Bug Man inserted in the *Globe and Mail* and the *Toronto Telegram*—advertisements which the courts declared libellous.

From the files of Drew's Gestapo came the information used in those advertisements. In fact, one of these advertisements was written by Sanderson and Dempster in the Gestapo office. I can even give you the date when this was done—December 29th, 1943.

Some of the municipal candidates who had been maligned in Sanderson's advertisements, instituted action in the courts. Sanderson and Osborne-Dempster got the wind up. Col. Drew was in England at the time. All the way from England he wrote the Bug Man an intimate and reassuring letter on the letter-head of Ontario House, London. Sanderson is very vain—he showed that letter to too many people.

It started like this—I quote:

“Dear Sandy:

“They tell me that since I left, you are getting quite ritzy . . .”

The letter went on to assure Sanderson that his expenses would be taken care of.

Who is this man Sanderson, to whom the Premier wrote in such terms of intimacy? He is no ordinary business man. He has a criminal record, with several convictions for fraud. At one time, the Post Office had to deny him the use of the mails for that very reason. This is the man with whom George Drew and George McCullagh associated themselves in their campaign to blacken and defame the C.C.F.! Look at this group of close associates: Drew, Osborne-Dempster, Gladstone Murray, Sanderson and George McCullough.

The whole thing has the stench of fascism. Fortunately, there are men and

women who recognize that stench—and who did something about it. They knew that a secret political police, a Gestapo, belongs to fascism, not to democracy. They knew this thing had never been authorized by the Legislature. They know that if freedom is to live, some one must speak out when freedom is in danger. So they brought the information to me. By the will of the people of Ontario I became the Leader of His Majesty's Loyal Opposition after the last election. It is my duty to investigate and expose each and every violation of the rights and liberties of the citizen. It was right and proper that the information should be brought to me. Like you, I was shocked. It was hard to believe. I made careful investigations and found that the information was entirely correct. It is now supported by affidavit.

To make doubly sure, I requested the member of the Legislature for Riverdale to make a further investigation. Flight Lieutenant Wismer formerly served with the Intelligence Staff at R.C.A.F. headquarters. He investigated, and confirmed the facts. Later, he went overseas to fly over Germany as the navigator of a heavy bomber, and he has only returned since V-E Day. While he was away, still further confirmation came to me from entirely independent witnesses, who have no connection whatever with the provincial civil service. With all this proof, my duty became clear; my duty to place the facts before the people of Ontario and denounce this outrage against democracy.

If I had time I could give you hundreds of other details of the same sort. They all add up to the same thing—a special spy organization, not for the safety of the state, but for Col. Drew's political purposes; a Gestapo, paid for out of public funds, and used to help Drew maintain himself in power. The whole story has no parallel in any British country or in any other democratic state.

When Col. Drew is in a jam he puts on a bold front and denies everything. This time there is no opportunity for successful denial. Unfortunately for him, I have affidavits to prove what I say to-night—and a lot more.

Or, perhaps since there is no opportunity for outright denial, Col. Drew will try to say that this secret police organization was set up to deal with subversive activity and to protect the war effort. It was nothing of the kind. That work is done by the R.C.M.P. They have the facilities for doing it. In fact, although the R.C.M.P. knew that Osborne-Dempster's offices existed, they would apparently have nothing to do with him, for he complains that they refused to give him information. They were quite right. They must have realized that his organization was purely political and had nothing to do with the war effort.

Now I have told you all this on my responsibility as Leader of the Official Opposition, as Leader of a party that has great confidence you will elect us to power on June 4th. But I have also told you this story as a citizen of Ontario and of Canada, because I believe the issue is basic to the preservation of democracy in Canada.

A great deal of malicious nonsense has been talked in this election about fascism and regimentation and dictatorship and all the rest. I said in the early part of this broadcast that I would leave it to you to judge where the danger of dictatorship really lies, after you have heard the facts.

But the sordid and unpleasant story I have just told you about the Drew

Government and their Gestapo is not an isolated incident in recent world history. It fits into a pattern which it is terribly important that all of us should understand.

In no country you can think of did the danger to democracy come from organizations of the common people—whether political or economic; the threat of fascism always came from Big Business and its agencies.

You never heard of the Labour Governments of Britain or New Zealand or Australia having secret political police. You never heard of any farmers' organizations or labour union employing that sort of technique to win their rights. Even in Germany and in Italy, the labour and socialist movements were so careful to observe every rule of democratic behaviour that the Nazis and Fascists were able to take advantage of it. You could not think of a single example, in any country, where democracy was ever threatened by labour-farmer parties like the C.C.F.

But the history of other countries is full of anti-democratic organizations created and supported by Big Business. Remember the Croix de Feu and the Cagoulards in France, the Blackshirts in England, the Phalangists in Spain and similar gangs in Belgium and Holland and Norway, with their miserable Quislings.

Remember, too, the forces which helped Hitler to power and which supplied him with the finances and the materials to build his war machine. When parties like the C.C.F., or the Labour Party of Britain or the Socialist Party of France and trade unions and farm organizations were collecting funds to help the German underground, Big Business in the same countries was making loans to Hitler and dealing with him as with a welcome customer.

This is the pattern into which the story fits. It is the pattern of Big Business versus the Common People. To-day, in Canada, Big Business is backing John Bracken and George Drew.

We, of the C.C.F., stand now and have always stood, without qualification, and without reservation, for freedom and for democracy. If you give us a majority on June 4th, one of my first acts as Premier will be to abolish Drew's secret political police and root out every vestige of this evil. With a C.C.F. Government there will be no political spying. There will be no secret blacklists. Democracy will come into its own. We shall protect and extend the freedom of the people.

APPENDIX "B"

(Copy of Exhibit No. 100)

Col. Nikoli Zabodin dated Feb. 8th, 1944.

Fellowship for Christian Social Order.

Council for Social Reconstruction.

C.I.O. Control and Domination of Canadian Socialist Political Party.

Feb. 15/44 To Deputy: Toronto Police Department was faced with a problem regarding Japanese infiltration into Ontario.

Present Radical Socialist Communist Strategy in Ontario.

Memo.—Radical Socialist Communist situation in Fort William and Port Arthur, dated March 1st, 1944.

Memo. re Wm. D. Dennison.

The U.S.S.R. in International Affairs, and its ultimate effect in the maintenance of law and order in the Province of Ontario.

Letter same date covering two memoranda above.

Mar. 15/44 The Comintern is dead, Long live the Profintern.

Mar. 16/44 U.S.S.R. in Internal Affairs and its ultimate effect on law and order in Ontario.

Mar. 21/44 To Deputy attaching memo.

Mar. 23/44 Questionnaire issued by Socialist Organization for political purposes.

Use of reserve army to stop disturbances.

Re International United Trades Union to be held in England on June 5th.

Youth delegation to Provincial Government.

John Roy Carlson, author of "Under Cover".

Memo. re Dies Report.

Mar. 30/44 C.I.O. said linked with Communists—Dies Report.

New political party organized at Detroit.

Accompanying letter attaching above report.

First Ontario Convention Labour-Progressive Party.

Political action of the U.S.S.R. as it affects Ontario.

Apr. 6/44 Memo. re marked copies of Tribune.

Apr. 11/44 Respecting book "Trojan Horse"—Martin Dies.

Apr. 12/44 Probable sabotage in Province of Ontario.

National Affairs Monthly.

Apr. 14/44 Re Affairs at Ottawa.

Apr. 15/44 Further to a memo.—Victor A. Kraschenko, recently resigned official to Soviet Government in U.S.A.

Apr. 17/44 Probable industrial disturbances at Ford Motor Plant, Windsor, Ontario.

Communist activities in Province of Ontario.

Memo.—attached hereto memo., etc., regarding Communist Headquarters in Toronto.

Memo. re unofficial conference at Ottawa.

Apr. 21/44 ". . . of Freedom"—a book by Prof. Kirkconnell.

Detection and imprisonment of former British officer for offence of espionage in the Soviet of the Communist Party of Great Britain.

Apr. 25/44 Copy of report re meeting at Kirkland Lake at which Leslie Morris was speaker.

Apr. 26/44 Further to a memo. re Ontario Federation of Labour.

Probable general plans of Com-Rad. Socialists to seize power in Dominion of Canada and its effect upon Ontario.

Apr. 27/44 Letter to be on plain paper to Lt.-Col. Ackland, Marine Eng. Corps, Ottawa, enclosing graph.

Apr. 29/44 Radical Socialist plan for control of Labour in Ontario.

May 4/44 On Canadian Council Canadian Soviet Friendship.

May 5/44 On World Congress of Labour.

- May 31/44 The Case for Socialism.
- June 5/45 The Hon. Member for Sudbury in the Provincial House.
- June 6/45 Liberal Labour Coalition at Ottawa.
- May 2/45 Gustav Ernest Born.
- May 9/44 Second International Congress of Canadian League against War and Fascism.
- June 7/44 Security precautions in Ontario.
- June 9/44 Internal security Province of Ontario.
- June 17/44 Some aspects of the recent Saskatchewan election and its probable effect in the impending Federal election and possible effect on Ontario.
- Nomination of J. L. Cohen as C.C.F. Labour Candidate in Essex West.
- July 19/44 First report on set-up of C.I.O. Political Action Committee.
- Aug. 8/44 Confidential meeting of the leftist groups which was held near Bowmanville.
- Aug. 17/44 Special Dies report C.I.O. Political Action.
- Unofficial affiliation of Communists and C.C.F. in Ontario.
- Aug. 22/44 Russia at work in Latin America. Similar Russian activities in Canada.
- Re Walter Honsberger, 240 The Kingsway.
- Aug. 24/44 Saturday Evening Post article re C.I.O. in politics.
- Re World Labour Congress.
- Political Action Committee of the Oshawa Trades and Labour Council.
- Aug. 29/44 Greater Toronto Housing Committee and personal letter to Mrs. D. Haines.
- Aug. 30/44 Re Political Action Committee.
- Sept. 1/44 Alfred C. Campbell. 2. Canadian Congress of Labour P.A.C.—
May 17th memo. on Ivan Cickunshin.
- Sept. 15/44 The case of Pte. Irwin Stata. Letter on Mrs. Haines.

Sept. 29/44 New Communist strategy.

Oct. 2/44 Requirements for membership in Communist Party of Canada.

Oct. 3/44 Packing House workers of America and general strike.

Nov. 14/44 Communists and Drew Must Go campaign.

Nov. 20/44 Communist activity in Kingston.

Nov. 27/44 Second National Convention for Canadian Soviet Friendship.

Dec. 14/44 Wm. S. Spivak alias Wm. Spivack (auto investigation).

Feb. 7/45 Segundo Frank Munso gas coupons signed P.C. 795.
John M. Reid—gas ration.

Mar. 2/45 Letter to Department of Munitions and Supply re tire and tube
(request by Mr. Dempster).

Mar. 8/45 Reports on M. J. Coldwell and T. C. Douglas.

Apr. 10/45 Campbell Soup.

Apr. 17/45 Re—C.W.P.

APPENDIX "C"

(List of Contents of File Labelled: "Electoral Correspondence— C.C.F." marked Exhibit 199)

Item No.	Description
1	Copy of Memorandum for Inspector A. S. Wilson, C.I.B. Re: C.C.F.-Communist-Socialist Political Setup, marked "Secret and Confidential" (2 sheets), dated October 23rd, 1941.
2	Memorandum to Inspector A. S. Wilson, C.I.B. Re: Extracts from Report of Mr. B. E. Leavens, General Secretary, C.C.F., Covering Organizational Trip, dated October 25th, 1941, and marked "Secret and Confidential."
	Attached extracts (3 sheets).
	One copy of Memorandum and Extracts aforesaid.
	Memorandum to Inspector A. S. Wilson, C.I.B. Subject: Attached Leavens Report, dated October 25th, 1941.
	Memorandum to Inspector A. S. Wilson, C.I.B. Subject: Extracts from Report covering Organizational Trip by Mr. B. E. Leavens, dated October 25th, 1941 (3 sheets).
3	Copy of Memorandum to Inspector A. S. Wilson, C.I.B. Re: C.I.O.-C.C.F. Political Collaboration, dated October 27th, 1941.
4	Newspaper clipping headed: "C.C.F. Will Socialize Mines, Forests, Packing Plants and Milling Companies."
5	Memorandum to Inspector A. S. Wilson, C.I.B. Subject: C.I.O. Executives, dated November 18th, 1941, with copy of same attached.
6	Memorandum to Inspector A. S. Wilson, C.I.B. Subject: Conference of C.C.F.-Labour Executives, dated November 22nd, 1941.
7	Copy of Memorandum to Inspector A. S. Wilson, C.I.B. Subject: Special Assignment C.C.F.-C.I.O. Political Setup, dated November 7th, 1941.
8	Memorandum to Inspector A. S. Wilson, C.I.B. Subject: C.I.O.-C.C.F. Publicity Committee, dated November 16th.
9	List of Ontario Daily Newspapers which will actively support Leftist-C.I.O.-C.C.F. Political Groups.
10	Memorandum to Inspector A. S. Wilson, C.I.B. Subject: Map showing location of units of Leftist Groups, dated November 15th, 1941.

Item No.	Description
11	Copy of Memorandum to Inspector A. S. Wilson, C.I.B. Subject: Bert E. Leavens, General Secretary, C.C.F., dated November 5th, 1941.
12	Memorandum to Inspector A. S. Wilson, C.I.B. Subject: C.C.Y.M. Factory Canvass, dated December 19th, 1941.
13	Memorandum to Inspector A. S. Wilson, C.I.B. Re: Leftist Labour-Political Groups, dated December 6th, 1941.
14	Pamphlet published by The National Office of the Co-Operative Commonwealth Federation, Ottawa, headed: "Time for a Change."
15	Mimeographed C.C.F. pamphlet stamped: "December 4th, 1941" and marked on outside front cover: "Welcome to our Coldwell Rally!"
16	Copy of Memorandum to Inspector A. S. Wilson, C.I.B. Re: Professor Frank H. Underhill and Leftist Political Group, dated December 12th, 1941.
17	Mimeographed instructional sheet headed: "Investigators Note:"
18	Mimeographed questionnaire (4 sheets).
19	Copy of Memorandum to Inspector A. S. Wilson, C.I.B. Subject: C.C.F. appeal for Kirkland Lake Strikers, dated December 19th, 1941.
20	Copy of Memorandum to Inspector A. S. Wilson, C.I.B. Subject: Special assignment C.C.F.-C.I.O. Political Setup, dated November 7th, 1941.
21	Copy of Memorandum to Inspector A. S. Wilson, C.I.B. Re: C.I.O.-C.C.F. Political Collaboration, dated October 27th, 1941.
22	South York C.C.F. Association card of appreciation re election of J. M. Noseworthy, with envelope marked "Noseworthy Election Committee" addressed to "Mr. W. J. O. Dempster," etc., attached.
23	Copy of Memorandum. Subject: South York C.C.F. Banquet, dated February 21st, 1942.
24	Copy of Memorandum to Inspector A. S. Wilson, C.I.B. Subject: Leftist Literature, dated December 30th, 1941.
25	Copy of Memorandum to Inspector A. S. Wilson, C.I.B. Subject: Leftist campaign literature in South York, dated January 3rd, 1941, with copy of same attached.

South York C.C.F. Noseworthy Election Committee campaign letter, dated January 2nd, 1942, with mimeographed explanatory sheet attached.

Item No.	Description
26	South York C.C.F. campaign pamphlet headed: "Strike a Blow", dated February 7th, 1942.
27	Copy of Special Memorandum. Subject: "Mousetraps" (3 sheets).
28	Specimen C.C.F. application card.
29	Copy of Memorandum for Inspector A. S. Wilson, C.I.B. Re: Political Activity of Congress for Industrial Organization, dated October 22nd, 1941, and marked "Secret and Confidential" with list headed: "List of Constituencies Considered Possible to Win" attached.

Unidentified list of ten proper names, etc.
